

**102ND GENERAL ASSEMBLY****State of Illinois****2021 and 2022****SB2896**

Introduced 4/29/2021, by Sen. Celina Villanueva

SYNOPSIS AS INTRODUCED:

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Creates the Consumers and Climate First Act. Provides that it is the policy of the State of Illinois to transition to 100% clean energy by 2050. Amends the Illinois Governmental Ethics Act. Expands the information required to be provided on a statement of economic interests to include employment by a public utility. Amends the Illinois Enterprise Zone Act. In provisions relating to High Impact Businesses, expands the definition of "new electric generating facility" to include a new utility scale solar power facility. Amends the Energy Policy and Planning Act. Expands the legislative findings to include climate change in the problems to be addressed by the State's energy policy. Amends the Illinois Power Agency Act. Provides that it is the policy of the State of Illinois to transition to 100% clean energy by 2050, authorizes actions and programs in support of the policy including the Illinois Solar for All Program. Defines "clean energy". Amends the Illinois Procurement Code. Authorizes procurement expenditures necessary for the Illinois Environmental Protection Agency to contract with a firm to perform audits under the Public Utilities Act. Amends the Illinois Municipal Code to create the Non-Home Rule Municipal Gas Use Tax Law. Provides that a non-home rule municipality may impose a tax on the privilege of using or consuming gas acquired in a purchase at retail and used or consumed within the corporate limits of the municipality. Defines "gas" and other terms. Amends the Public Utilities Act. Increases the amounts that public utilities must spend to implement energy efficiency measures targeted at low-income households. Prohibits deposits and late payment fees for low-income residential customers and applicants. Restricts the use of credit card convenience fees. Requires all public utilities to annually report the number of disconnections for nonpayment and reconnections according to specified criteria. Provides for an annual audit of the finances of all nuclear power plants operating in Illinois. Provides for specified electric utilities to prepare and file a distribution system investment plan that meets specified requirements no later than June 1, 2022. Makes other changes. Effective immediately.

LRB102 17909 JWD 25989 b

1 AN ACT concerning regulation.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Article 1. Consumers and Climate First

5 Section 1-1. Short title. This Article may be cited as the
6 Consumers and Climate First Act. As used in this Article,
7 "this Act" refers to this Article.

8 Section 1-5. Clean Energy Goals.

9 (a) Article XI of the Constitution of the State of
10 Illinois provides that every citizen deserves a healthful
11 environment, that it is the public policy of the State to
12 maintain a healthful environment for this generation and
13 future generations and that the General Assembly should enable
14 this policy.

15 (b) To fulfill this policy, Illinois has a responsibility
16 to protect its citizens and economy against the threats of
17 climate change, including threats to our economy, health,
18 safety, and national security.

19 (c) Moving Illinois toward a goal of 100% clean energy by
20 2050 is in furtherance of the State's policy to provide a
21 healthful environment for its citizens. To accomplish this
22 goal, the State must undertake several policy initiatives,

1 such as incentivizing renewable energy and other low or zero
2 carbon sources of energy, adopting measures to reduce our
3 energy usage, and improving the reliability and affordability
4 of our energy system.

5 (d) The move toward 100% clean energy will allow Illinois
6 to take advantage of the clean energy economy that can provide
7 new quality jobs and economic opportunities, and wealth
8 building in economically disadvantaged communities that have
9 borne a disproportionate burden of pollution and climate
10 change. It will further improve health outcomes through
11 reduction of co-emissions of pollutants other than greenhouse
12 gases for all citizens of the State. These improved health
13 outcomes also provide economic benefits for the State.

14 (e) These initiatives must ensure that the development of
15 a clean energy economy will provide benefits and opportunities
16 for economically disadvantaged communities, communities of
17 color and environmental justice communities, and a just
18 transition for communities and workers who rely on existing
19 power plants for jobs, property tax revenues, and other
20 economic benefits.

21 (f) Energy efficiency should be prominent in the State's
22 clean energy policy, since it is the most cost-effective
23 energy resource. Energy efficiency upgrades help customers
24 manage their individual energy bills, while reducing the total
25 energy needs of the State and the cost of the energy system.

26 (g) The transportation sector is now the leading source of

1 carbon pollution in Illinois, responsible for roughly
2 one-third of carbon emissions in the State. The State should
3 adopt policies that will encourage and expand access to public
4 transit, promote walking and biking mobility, and increase
5 electric vehicle adoption. If properly implemented,
6 transitioning to electric vehicles can greatly decrease
7 emissions from the transportation sector, provide reliability
8 assistance to the electric power grid, and potentially lower
9 electric bills for customers by moving electric demand to
10 off-peak hours.

11 (h) The transition to a clean energy economy will also
12 provide an impetus for the development of new technologies and
13 products and the potential for manufacturing some of these
14 products in Illinois.

15 (i) Energy storage can provide many services and benefits
16 to the electricity grid, including reducing peak load,
17 frequency regulation, voltage support, and the greater
18 utilization of renewable energy, which will provide many
19 benefits.

20 (j) Greater implementation of these new technologies and
21 generation sources will provide for greater customer choice in
22 their energy sources and usage. To help further these goals,
23 new and innovative regulatory policies are needed to
24 transition to a more resilient grid that is equipped to
25 implement the clean energy economy, while also achieving
26 reliability and affordability goals.

1 Article 5. Energy Transition

2 Section 5-1. Short title. This Article may be cited as the
3 Energy Transition Act. As used in this Article, "this Act"
4 refers to this Article.

5 Section 5-5. Definitions. As used in this Act:

6 "Clean Energy Jobs" means jobs in the solar energy, wind
7 energy, energy efficiency, energy storage, solar thermal,
8 hydrogen, carbon management, geothermal, electric vehicle
9 industries, other renewable energy industries, industries
10 achieving emission reductions, and other related sectors
11 including related industries that manufacture, develop, build,
12 maintain, or provide ancillary services to renewable energy
13 resources or energy efficiency products or services, including
14 the manufacture and installation of healthier building
15 materials that contain fewer hazardous chemicals. "Clean
16 Energy Jobs" include administrative, sales, other support
17 functions within these industries and other related sector
18 industries.

19 "Closure" means the permanent shutdown of an
20 investor-owned electric generating unit or coal mine.

21 "Community-based organization" means an organization that:
22 (1) provides employment, skill development or related services
23 to members of the community; (2) includes community colleges,

1 nonprofits, and local governments; (3) has at least one main
2 operating office in the community or region it serves; and (4)
3 demonstrates relationships with local residents and other
4 organizations serving the community.

5 "Community-based provider" means a not-for-profit
6 organization that has a history of serving low-wage,
7 low-skilled workers, or individuals from economically
8 disadvantaged communities.

9 "Department" means the Department of Commerce and Economic
10 Opportunity, unless the text solely specifies a particular
11 Department.

12 "Director" means the Director of Commerce and Economic
13 Opportunity.

14 "Displaced energy worker" means an energy worker who has
15 lost employment, or is anticipated by the Department to lose
16 employment within the next 2 years, due to the reduced
17 operation or closure of a fossil fuel power plant, nuclear
18 power plant, or coal mine.

19 "Economically disadvantaged community" means areas of one
20 or more census tracts where average household income does not
21 exceed 80% of area median income.

22 "Equity focused populations" means (1) low-income persons;
23 (2) persons residing in equity investment eligible
24 communities; (3) persons who identify as Black, Indigenous,
25 and People of Color (BIPOC); (4) justice-involved persons; (5)
26 persons who are or were in the child welfare system; (6) energy

1 workers; (7) dependents of displaced energy workers; (8)
2 women; (9) LGBTQ+, transgender, or gender nonconforming
3 persons; (10) persons with disabilities, and (11) members of
4 any of these groups who are also youth.

5 "Equity investment eligible community" or "eligible
6 community" mean people living in geographic areas throughout
7 Illinois who will most benefit from equitable investments by
8 the State that are designed to combat historic inequities and
9 the effects of discrimination. "Eligible community" includes
10 census tracts that meet the following characteristics:

11 (1) At least 15% of households or at least 20% of the
12 population 18 or under fall below the federal poverty
13 level; and

14 (2) falls in the top 25th percentile in the State on
15 measured levels for one or more of the following
16 environmental indicators from the United States
17 Environmental Protection Agency's EJSCREEN screening tool:

18 (A) Diesel particulate matter level in air.

19 (B) Air toxics cancer risk.

20 (C) Air toxics respiratory hazard index.

21 (D) Indicator for major direct dischargers to
22 water.

23 (E) Proximity to National Priorities List (NPL)
24 sites.

25 (F) Proximity to Risk Management Plan (RMP)
26 facilities.

1 (G) Proximity to Treatment and Storage and
2 Disposal (TSDF) facilities.

3 (H) Ozone level in air.

4 (I) PM2.5 (particulate matter with diameters that
5 are 2.5 micrometers and smaller) level in the air.

6 "Equity investment eligible persons" or "eligible persons"
7 means persons who would most benefit from equitable
8 investments by the State designed to combat discrimination,
9 specifically:

10 (1) persons whose primary residence is in an equity
11 investment eligible community;

12 (2) persons whose primary residence is in a
13 municipality or a county with a population under 100,000
14 where the closure of an electric generating unit or coal
15 mine has been publicly announced, or the electric
16 generating unit or coal mine is in the process of closing
17 or has closed within the last 5 years;

18 (3) persons who are graduates of or currently enrolled
19 in the foster care system; or

20 (4) persons who were formerly incarcerated.

21 "Plant owner" means the owners of an investor-owned
22 electric generating unit with a nameplate capacity of greater
23 than 300 megawatts.

24 Section 5-10. Findings. The General Assembly finds that
25 the clean energy sector is a growing area of the economy in the

1 State of Illinois. The General Assembly further finds that
2 State investment in the clean energy economy in Illinois can
3 be a vehicle for expanding equitable access to public health,
4 safety, a cleaner environment, quality jobs, and economic
5 opportunity.

6 It is in the public policy interest of the State to ensure
7 that Illinois residents from communities disproportionately
8 impacted by climate change, facing coal plant or coal mine
9 closures, economically disadvantaged communities, and
10 individuals experiencing barriers to employment have access to
11 State programs and good jobs and career opportunities in
12 growing sectors of the State economy. To promote those
13 interests in the growing clean energy sector, the General
14 Assembly hereby creates the Energy Transition Act to increase
15 access to and opportunities for education, training, and
16 support services Illinois residents from communities
17 disproportionately impacted by climate change, facing coal
18 plant or coal mine closures, economically disadvantage
19 communities, and individuals experiencing barriers to
20 employment need to succeed in the labor market generally and
21 the clean energy sector specifically. The General Assembly
22 further finds that the programs included in the Energy
23 Transition Act are essential to equitable, statewide access to
24 quality training, jobs, and economic opportunities across the
25 clean energy sector.

1 Section 5-15. Regional administrators.

2 (a) Subject to appropriations, the Department shall select
3 3 unique regional administrators: one regional administrator
4 for coordination of the work in the Northern Illinois Program
5 Delivery Area, one regional administrator selected for
6 coordination of the work in the Central Illinois Program
7 Delivery Area, and one regional administrator selected for
8 coordination of the work in the Southern Illinois Program
9 Delivery Area.

10 (b) The Clean Jobs Workforce Network Hubs Program shall be
11 administered by 3 regional administrators selected under this
12 Section 5-15.

13 (c) The regional administrators shall have: strong
14 capabilities, experience, and knowledge related to program
15 development and fiscal management; cultural and language
16 competency needed to be effective in their respective
17 communities to be served; expertise in working in and with
18 BIPOC and environmental justice communities; knowledge and
19 experience in working with employer or sectoral partnerships,
20 if applicable, in clean energy or related sectors; and
21 awareness of industry trends and activities, workforce
22 development best practices, regional workforce development
23 needs, regional and industry employers, and community
24 development. The regional administrators shall demonstrate a
25 track record of strong partnerships with community-based
26 organizations.

1 (d) The regional administrators shall work together to
2 coordinate the implementation of the Clean Jobs Workforce
3 Program.

4 Section 5-20. Clean Jobs Workforce Network Program.

5 (a) Subject to appropriations, the Department shall
6 develop, and through regional administrators administer, the
7 Clean Jobs Workforce Network Program ("Program") to create a
8 network of 16 Program delivery Hub Sites with program elements
9 delivered by community-based organizations and their
10 subcontractors geographically distributed across the State.

11 (1) The Clean Jobs Workforce Hubs Network shall be
12 made up of 16 Program delivery Hub Sites geographically
13 distributed across the State, including at least one Hub
14 Site located in or near each of the following areas:
15 Chicago (South Side), Chicago (Southwest and West Sides),
16 Waukegan, Rockford, Aurora, Joliet, Peoria, Champaign,
17 Danville, Decatur, Carbondale, East St. Louis, and Alton.

18 (2) Three additional Hub Sites shall be determined by
19 the Department. One of the additional sites shall be
20 located in the Northern Illinois Program Delivery Area
21 covering Northern Illinois, one of the additional sites
22 shall be located in the Central Illinois Program Delivery
23 Area covering Central Illinois, and one of the additional
24 sites shall be located in the Southern Illinois Program
25 Delivery Area covering Southern Illinois.

1 (b) The Program shall be available to members of one or
2 more of the population groups listed as equity focused
3 populations across the State to enter and complete the career
4 pipeline for clean energy jobs, with the goal of serving all of
5 the equity focused populations distributed across the network.

6 (c) The Program shall be available to members of one or
7 more of the population groups listed as equity focused
8 populations from communities in the following order of
9 priority: (i) communities that host coal-fired power plants or
10 coal mines, or both; and (ii) communities across the State.

11 (d) Program elements for each Hub Site shall be provided
12 by a community-based organization. The Department shall
13 initially select a community-based organization in each Hub
14 Site and shall subsequently select a community-based
15 organization in each Hub Site every 3 years. Community-based
16 organizations delivering program elements outlined in
17 subsection (e) may provide all elements required or may
18 subcontract to other entities for provision of portions of
19 program elements, including, but not limited to,
20 administrative soft and hard skills for program participants,
21 delivery of specific training in the core curriculum, or
22 provision of other support functions for program delivery
23 compliance.

24 (e) The Clean Jobs Workforce Hubs Network shall:

25 (1) coordinate with Energy Transition Navigators:

26 (A) to increase participation in the Clean Energy

1 Workforce Network and clean energy and related sector
2 workforce and training opportunities;

3 (B) coordinate recruitment, communications, and
4 ongoing engagement with potential employers,
5 including, but not limited to, activities such as job
6 matchmaking initiatives, hosting events such as job
7 fairs, and collaborating with other Hub Sites to
8 identify and implement best practices for employer
9 engagement;

10 (C) leverage community-based organizations,
11 educational institutions, and community-based and
12 labor-based training providers to ensure members of
13 equity focused populations across the State have
14 dedicated and sustained support to enter and complete
15 the career pipeline for clean energy and related
16 sector jobs; and

17 (D) develop formal partnerships, including formal
18 sector partnerships between community-based
19 organizations and (a) trades groups, (b) labor unions,
20 and (c) entities that provide clean energy jobs,
21 including businesses, nonprofit organizations, and
22 worker-owned cooperatives to ensure that Program
23 participants have priority access to high-quality
24 preapprenticeship, apprenticeship, and other
25 employment training and hiring opportunities.

26 (2) implement the Clean Jobs Curriculum to provide,

1 which may include, but is not limited to, training,
2 preapprenticeship, certification preparation, job
3 readiness, and skill development, including soft skills,
4 math skills, technical skills, certification test
5 preparation, and other development needed, to Program
6 participant members of disadvantaged communities specified
7 in subsection (b) of this Section.

8 (f) Funding for the Program shall be made available from
9 the Energy Transition Assistance Fund.

10 (g) The Department shall require submission of quarterly
11 reports including program performance metrics by each Hub Site
12 to the regional administrator of their Program Delivery Area.
13 Program performance measures include, but are not limited to:

14 (1) demographic data, including racial, gender, and
15 geographic distribution data, on Program trainees entering
16 and graduating the Program;

17 (2) demographic data, including racial, gender, and
18 geographic distribution data, on Program trainees who are
19 placed in employment, including the percentages of
20 trainees by race, gender, and geographic categories in
21 each individual job type or category and whether
22 employment is union, nonunion, or nonunion via temp
23 agency;

24 (3) trainee job acquisition and retention statistics,
25 including the duration of employment (start and end dates
26 of hires) by race, gender, and geography;

1 (4) hourly wages, including hourly overtime pay rate,
2 and benefits of trainees placed into employment by race,
3 gender, and geography;

4 (5) percentage of jobs by race, gender, and geography
5 held by Program trainees or graduates that are full-time
6 equivalent positions, meaning that the position held is
7 full-time, direct, and permanent based on 2,080 hours
8 worked per year (paid directly by the employer, whose
9 activities, schedule, and manner of work the employer
10 controls, and receives pay and benefits in the same manner
11 as permanent employees); and

12 (6) qualitative data consisting of open-ended
13 reporting on pertinent issues, including, but not limited
14 to, qualitative descriptions accompanying metrics or
15 identifying key successes and challenges.

16 (h) Within 3 years of the effective date, the Department
17 shall select an independent evaluator to review and prepare a
18 report on the performance of the Program and regional
19 administrators.

20 Section 5-25. Clean Jobs Curriculum.

21 (a) The Department shall convene a comprehensive
22 stakeholder process that includes representatives from the
23 Illinois State Board of Education, the Illinois Community
24 College Board, the Department of Labor, community-based
25 organizations, workforce development providers, labor unions,

1 building trades, educational institutions, residents of BIPOC
2 and low-income communities, residents of environmental justice
3 communities, clean energy businesses, nonprofit organizations,
4 worker-owned cooperatives, other groups that provide clean
5 energy jobs opportunities, and other participants to identify
6 the career pathways and training curriculum needed to prepare
7 workers to enter clean energy jobs and build careers. The
8 curriculum shall:

9 (1) identify the core training curricular competency
10 areas needed to prepare workers to enter clean energy and
11 related sector jobs, such as those included in, but not
12 limited to, the Multi-Craft Core Curriculum, U.S.
13 Department of Labor Employment and Training
14 Administration-sponsored CareerOneStop Renewable Energy
15 Competency Model, the Electric Vehicle Infrastructure
16 Training Program;

17 (2) identify a set of certifications for clean energy
18 and related sector job types to be included in respective
19 training programs and used to inform core training
20 Curricular competency areas, such as, but not limited to,
21 North American Board of Certified Energy Practitioners
22 (NABCEP) Board Certifications, Interstate Renewable Energy
23 Council (IREC) Accredited Certificate Programs, American
24 Society of Heating, Refrigerating and Air-Conditioning
25 Engineers (ASHRAE) ANSI/ISO accreditation standard
26 certifications, Electric Vehicle Infrastructure Training

1 Program Certifications, and UL Certification for EV
2 infrastructure;

3 (3) identify a set of required core cross-training
4 competencies provided in each training area for clean
5 energy jobs with the goal of enabling any trainee to
6 receive a standard set of skills common to multiple
7 training areas that would provide a foundation for
8 pursuing a career composed of multiple clean energy job
9 types;

10 (4) include approaches to integrate broad occupational
11 training to provide career entry into the general
12 construction and building trades sector and any remedial
13 education and work readiness support necessary to achieve
14 educational and professional eligibility thresholds;

15 (5) identify, directly or through references to
16 external resources, career pathways for clean energy jobs
17 types, such as, but not limited to, pathways identified
18 in: IREC Careers in Climate Control Technology Map, IREC
19 Solar Career Map for Workforce Training, NABCEP
20 Certification Career Map, and U.S. Department of Labor's
21 Bureau of Labor Statistics Green Jobs Initiative; and

22 (6) identify on-the-job training formats, where
23 relevant; and identify suggested trainer certification
24 standards, where relevant.

25 (b) The Department shall publish a report that includes
26 the findings, recommendations, and core curriculum identified

1 by the stakeholder group and shall post a copy of the report on
2 its public website. The Department shall convene the process
3 described to update and modify the recommended curriculum
4 every 3 years to ensure the curriculum contents are current to
5 the evolving clean energy industries, practices, and
6 technologies.

7 (c) Organizations that receive funding to provide training
8 under the Clean Jobs Workforce Hubs Program, including, but
9 not limited to, community-based and labor-based training
10 providers, and educational institutions must use the core
11 curriculum that is developed under this Section.

12 Section 5-30. Energy Transition Barrier Reduction Program.

13 (a) Subject to appropriations, the Department shall create
14 and administer an Energy Transition Barrier Reduction Program.
15 The Energy Transition Barrier Reduction Program shall be used
16 to provide supportive services for individuals impacted by the
17 energy transition. Services allowed are intended to help
18 equity focused populations overcome financial and other
19 barriers to participation in the Clean Jobs Workforce Program.

20 (b) The Program shall be available to members of one or
21 more of the equity focused populations from communities in the
22 following order of priority: (i) communities that host
23 coal-fired power plants, or coal mines, or both; and (ii)
24 communities across the State.

25 (c) The Department shall determine appropriate allowable

1 program costs, elements and financial supports to reduce
2 barriers to successful participation in the Clean Jobs
3 Workforce Program for equity focused populations.

4 (d) Community-based organizations and other nonprofits
5 selected by the Department will be selected to provide
6 supportive services described in this Section to equity
7 focused populations participating in the Clean Jobs Workforce
8 Program.

9 (e) The community-based organizations that provide support
10 services under this Section shall coordinate with the Energy
11 Transition Navigators to ensure equity focused populations
12 have access to these services.

13 (f) Funding for the Program shall be made available from
14 the Energy Transition Assistance Fund.

15 Section 5-35. Energy Transition Navigators.

16 (a) In order to engage equity focused populations to
17 participate in the Clean Jobs Workforce Program and utilize
18 the services offered under the Energy Transition Barrier
19 Reduction Program, the Department shall, subject to
20 appropriation, contract with community-based providers to
21 conduct education, outreach, and recruitment services to
22 equity focused populations to make sure they are aware of and
23 engaged in the statewide and local workforce development
24 systems. Additional strategies will include recruitment
25 activities and events, among others.

1 (b) For members of equity focused populations who may be
2 interested in entrepreneurial pursuits, Energy Transition
3 Navigators will connect these individuals with their area
4 Small Business Development Center, Procurement Technical
5 Assistance Centers, and/or economic development organization
6 to engage in services such as business consulting, business
7 planning, regulatory compliance, marketing, training,
8 accessing capital, government bid, certification assistance,
9 and others.

10 (c) Energy Transition Navigators will build strong
11 relationships with equity focused populations, organizations
12 working with these populations, local workforce innovation
13 boards, and other stakeholders to coordinate outreach
14 initiatives promoting information about the programs and
15 services offered under the Clean Jobs Workforce Program and
16 Energy Transition Barrier Reduction Program, and support
17 clients applying for these services and programs.

18 (d) Community education, outreach, and recruitment about
19 the Clean Jobs Workforce Program and Energy Transition Barrier
20 Reduction Program will be targeted to the equity focused
21 populations.

22 (e) Community-based providers will partner with
23 educational institutions or organizations working with equity
24 focused populations, local employers, labor unions, and others
25 to identify members of equity focused populations in eligible
26 communities who are unable to advance in their careers due to

1 inadequate skills. Community-based providers will provide
2 information and consultation to equity focused populations on
3 various educational opportunities and supportive services
4 available to them.

5 (f) Community-based providers will establish partnerships
6 with employers, educational institutions, local economic
7 development organizations, environmental justice
8 organizations, trades groups, labor unions, and entities that
9 provide jobs, including businesses and other nonprofit
10 organizations to target the skill needs of local industry. The
11 community-based provider will work with local workforce
12 innovation boards and other relevant partners to develop skill
13 curriculum and career pathway support for disadvantaged
14 individuals in equity focused populations that meets local
15 employer's needs and establishes job placement opportunities
16 after training.

17 (g) Funding for the Program shall be made available from
18 the Energy Transition Assistance Fund.

19 (h) Priority in awarding grants under this Section will be
20 given to organizations that also have experience serving
21 equity investment eligible communities.

22 (i) Each community-based organization that receives
23 funding from the Department as an Energy Transition Navigator
24 shall provide an annual report to the Department by April 1 of
25 each calendar year. The annual report shall include the
26 following information:

1 (1) a description of the community-based
2 organization's recruitment, screening, and training
3 efforts;

4 (2) the number of individuals who apply to,
5 participate in, and complete programs offered through the
6 Energy Transition Workforce Program, broken down by race,
7 gender, age, and location; and

8 (3) any other information deemed necessary by the
9 Department.

10 Section 5-40. Displaced Energy Workers Bill of Rights.

11 (a) The Department, in collaboration with the Illinois
12 Department of Employment Security, shall have the authority to
13 implement the Displaced Energy Workers Bill of Rights, and
14 shall be responsible for the implementation of the Displaced
15 Energy Workers Bill of Rights programs and rights created
16 under this Section. Subject to appropriation, the Department
17 shall provide the following benefits to displaced energy
18 workers:

19 (1) The Department shall engage the employer and
20 energy workers no later than within 30 days of a closure or
21 deactivation notice being filed by the plant owner to the
22 Regional Transmission Organization of jurisdiction, within
23 30 days of the announced closure of a coal mine, or within
24 30 days of a WARN notice being filed with the Department,
25 whichever is first. The Department shall take reasonable

1 steps to ensure that all displaced energy workers are
2 educated on the various programs available through the
3 Department to assist with the energy transition,
4 including, but not limited to, the Illinois Dislocated
5 Worker and Rapid Response programs. The Department will
6 develop an outreach strategy, workforce toolkit and quick
7 action plan to deploy when closures are announced. This
8 strategy will include identifying any additional resources
9 that may be needed to aid worker transitions that would
10 require contracting services.

11 (2) The Department shall provide information and
12 consultation to displaced energy workers on various
13 employment and educational opportunities available to
14 them, supportive services, and advise workers on which
15 opportunities meet their skills, needs, and preferences.

16 (A) Available services will include reemployment
17 services, training services, work-based learning
18 services, and financial and retirement planning
19 support.

20 (B) The Department will provide skills matching as
21 part of career counseling services to enable
22 assessment of the displaced energy worker's skills and
23 map those skills to emerging occupations in the region
24 or nationally, or both, depending on the displaced
25 worker's preferences.

26 (C) For energy workers who may be interested in

1 entrepreneurial pursuits, the Department will connect
2 these individuals with their area Small Business
3 Development Center, Procurement Technical Assistance
4 Centers, and economic development organization to
5 engage in services including, but not limited to,
6 business consulting, business planning, regulatory
7 compliance, marketing, training, accessing capital,
8 and government bid certification assistance.

9 (b) Plant owners and the owners of coal mines located in
10 Illinois shall be required to comply with the requirements set
11 out in this subsection (b). The owners shall be required to
12 take the following actions:

13 (1) provide written notice of deactivation or closure
14 filing with the Regional Transmission Organization of
15 jurisdiction to the Department within 48 hours, if
16 applicable;

17 (2) provide employment information for energy workers;
18 90 days prior to the closure of an electric generating
19 unit or mine, the owners of the power plant or mine shall
20 provide energy workers information on whether there are
21 employment opportunities provided by their employer; and

22 (3) annually report to the Department on announced
23 closures of qualifying facilities. The report must include
24 information on expected closure date, number of employees,
25 planning processes, services offered for employees (such
26 as training opportunities) leading up to the closure,

1 efforts made to retain employees through other employment
2 opportunities within the company, and any other
3 information that the Department requires in order to
4 implement this Section.

5 (4) Ninety days prior to closure date, the owners of
6 the power plant or mine shall provide a final closure
7 report to the Department that includes expected closure
8 date, number of employees and salaries, transition support
9 the company is providing to employee and timelines,
10 including assistance for training opportunities,
11 transportation support or child care resources to attend
12 training, career counseling, resume support, and others.
13 The closure report will be made available to the chief
14 elected official of each municipal and county government
15 within which the employment loss, relocation, or mass
16 layoff occurs. It shall not be made publicly available.

17 (5) The owners of the power plant or mine will provide
18 job descriptions for each employee at the plant or mine to
19 the Department and the entity providing career and
20 training counseling.

21 (6) The owners of the power plant or mine will make
22 available to the Department and the entity providing
23 career and training counseling any industry related
24 certifications and on-the-job training the employee earned
25 to allow union training programs, Community Colleges, or
26 other certification programs to award credit for life

1 experiences in order to reduce the amount of time to
2 complete training, certificates or degrees for the
3 dislocated employee.

4 Section 5-45. Displaced Energy Worker Dependent Transition
5 Scholarship.

6 (a) Subject to appropriation, the benefits of this Section
7 shall be administered by and paid for out of funds made
8 available to the Illinois Student Assistance Commission.

9 (b) Any natural child, legally adopted child, or
10 step-child of an eligible dislocated energy worker who
11 possesses all necessary entrance requirements shall, upon
12 application and proper proof, be awarded a transition
13 scholarship consisting of the equivalent of one calendar year
14 of full-time enrollment including summer terms, to the
15 state-supported Illinois institution of higher learning of his
16 or her choice.

17 (c) As used in this Section, "eligible dislocated energy
18 worker" means an energy worker who has lost employment due to
19 the reduced operation or closure of a fossil fuel power plant
20 or coal mine.

21 (d) Full-time enrollment means 12 or more semester hours
22 of courses per semester, or 12 or more quarter hours of courses
23 per quarter, or the equivalent thereof per term. Scholarships
24 utilized by dependents enrolled in less than full-time study
25 shall be computed in the proportion which the number of hours

1 so carried bears to full-time enrollment.

2 (e) Scholarships awarded under this Section may be used by
3 a child without regard to his or her age. The holder of a
4 Scholarship awarded under this Section shall be subject to all
5 examinations and academic standards, including the maintenance
6 of minimum grade levels, that are applicable generally to
7 other enrolled students at the Illinois institution of higher
8 learning where the Scholarship is being used.

9 (f) An applicant is eligible for a scholarship under this
10 Section when the Commission finds the applicant:

11 (1) is the natural child, legally adopted child, or
12 step-child of an eligible dislocated energy worker; and

13 (2) in the absence of transition scholarship
14 assistance, will be deterred by financial considerations
15 from completing an educational program at the
16 state-supported Illinois institution of higher learning of
17 his or her choice.

18 (g) Funds shall be made available from the Energy
19 Transition Assistance Fund to the Commission to provide these
20 grants.

21 (h) The scholarship shall only cover tuition and fees at
22 the In-District/In-State rates but shall not exceed the cost
23 equivalent of one calendar year of full-time enrollment,
24 including summer terms, at the University of Illinois. The
25 Commission shall determine the grant amount for each student.

1 Section 5-50. Energy Transition Community Grants.

2 (a) Subject to appropriation, the Department shall
3 establish an Energy Transition Community Grant Program to
4 award grants to promote economic development in eligible
5 communities.

6 (b) Funds shall be made available from the Energy
7 Transition Assistance Fund to the Department to provide these
8 grants.

9 (c) Communities eligible to receive these grants must meet
10 one or more of the following:

11 (1) the area contains a fossil fuel or nuclear power
12 plant that was retired from service or has significantly
13 reduced service within 10 years before the application for
14 designation or will be retired or have service
15 significantly reduced within 5 years following the
16 application for designation;

17 (2) the area contains a coal mine that was closed or
18 had operations significantly reduced within 10 years
19 before the application for designation or is anticipated
20 to be closed or have operations; or

21 (3) the area contains a nuclear power plant that was
22 decommissioned, but continued storing nuclear waste before
23 the effective date of this Act.

24 (d) Local units of governments in eligible areas may join
25 with any other local unit of government, economic development
26 organization, local educational institutions, community-based

1 groups, or with any number or combination thereof to apply for
2 the Energy Transition Community Grant.

3 (e) To receive grant funds, an eligible community must
4 submit an application to the Department, using a form
5 developed by the Department.

6 (f) For grants awarded to counties or other entities that
7 are not the city that hosts or has hosted the investor-owned
8 electric generating plant, a resolution of support for the
9 project from the city or cities that hosts or has hosted the
10 investor-owned electric generating plant is required to be
11 submitted with the application.

12 (g) Grants must be used to plan for or address the economic
13 and social impact on the community or region of plant
14 retirement or transition.

15 (h) Project applications should include community input
16 and consultation with a diverse set of stakeholders including,
17 but not limited to: Regional Planning Councils, where
18 applicable; economic development organizations; low-income or
19 environmental justice communities; educational institutions;
20 elected and appointed officials; organizations representing
21 workers; and other relevant organizations.

22 (i) Grant costs are authorized to procure third-party
23 vendors for grant writing and implementation costs, including
24 for guidance and opportunities to apply for additional
25 federal, State, local and private funding resources. If the
26 application is approved for pre-award, one-time reimbursable

1 costs to apply for the Energy Transition Community Grant are
2 authorized up to 3% of the award.

3 Section 5-55. Energy Transition Assistance Fund.

4 (a) The Energy Transition Assistance Fund is created as a
5 special fund in the State treasury to be used by the Department
6 for purposes provided under this Act. The Department shall be
7 responsible for the administration of the Fund.

8 (b) The Department is authorized to utilize up to 10% of
9 the Energy Transition Assistance Fund for administrative and
10 operational expenses to implement the requirements of this
11 Act.

12 (c) The Fund shall be used to fund the following programs:
13 Energy Transition Community Grants, Energy Transition
14 Workforce Program, Energy Transition Barrier Reduction
15 Program, Displaced Energy Worker Dependent Scholarship, and
16 Displaced Energy Worker Bill of Rights.

17 (d) The Department shall strive to direct at least 40% of
18 the expenditures in the Fund toward programs that benefit
19 equity investment eligible communities.

20 Section 5-60. State Energy Transition Council.

21 (a) The State Energy Transition Council is hereby created
22 within the Department.

23 (b) The Council shall consist of the following members, or
24 their respective designees, and a staff member from each

1 listed State agency to provide technical support to the
2 Council:

3 the Director of Commerce and Economic Opportunity, who
4 shall serve as the chair of the Council;

5 the Director of Employment Security;

6 the Secretary of Human Services;

7 the Director of Labor;

8 the Director of the Illinois Environmental Protection
9 Agency;

10 the Executive Director of the Illinois Community
11 College Board;

12 the State Superintendent of Education; and

13 the directors of such other State agencies as a
14 majority of the Council may select.

15 The President of the Senate, the Minority Leader of the
16 Senate, the Speaker of the House of Representatives, and the
17 Minority Leader of the House of Representatives shall each
18 appoint one member of the Council.

19 Members shall serve without compensation.

20 (c) The Council shall:

21 (1) further determine policy goals and plans of State
22 agency activity as it relates to workforce and economic
23 energy transition opportunities and support;

24 (2) align local, State and federal resources and
25 programming, and leverage additional resources and
26 programming, to invest in and support coal transition

1 workers and coal transition communities;

2 (3) perform an assessment of existing tools and
3 support offered through federal and State programs to meet
4 the goals established by the Council;

5 (4) explore ways to support communities and energy
6 workers as the State of Illinois transitions to a clean
7 energy economy; and

8 (5) guide, inform and provide recommendations of
9 policy proposals offered by the Energy Transition Advisory
10 Council.

11 (d) The Council shall conduct its first meeting within 30
12 days after all members have been appointed. The Council shall
13 meet quarterly after its first meeting. Additional hearings
14 and public meetings are permitted at the discretion of the
15 members. The Council may meet in person or through video or
16 audio conference.

17 Section 5-65. Energy Transition Advisory Council.

18 (a) The Energy Transition Advisory Council is hereby
19 created within the Department.

20 (b) The Council shall consist of the following voting
21 members:

22 (1) two members representing trade associations;

23 (2) two members representing a labor union;

24 (3) two members representing local communities
25 impacted by electric generating plant closures;

1 (4) two members representing electric generating plant
2 operators;

3 (5) two members representing economic development
4 organizations;

5 (6) two low-income persons residing in coal
6 communities;

7 (7) two members representing higher education;

8 (8) two residents of environmental justice
9 communities;

10 (9) two members from community-based organizations in
11 environmental justice communities and community-based
12 organizations serving low-income persons and families;

13 (10) two members who are policy or implementation
14 experts on small business development, contractor
15 incubation, or small business lending and financing needs;

16 (11) two members who are policy or implementation
17 experts on workforce development for populations and
18 individuals such as low-income persons and families,
19 environmental justice communities, BIPOC communities,
20 justice-involved persons, persons who are or were in the
21 child welfare system, energy workers, gender nonconforming
22 and transgender individuals, and youth; and

23 (12) two representatives of clean energy businesses,
24 nonprofit organizations, or other groups that provide
25 clean energy.

26 The President of the Senate, the Minority Leader of the

1 Senate, the Speaker of the House of Representatives, and the
2 Minority Leader of the House of Representatives shall each
3 appoint one non-voting member of the Council.

4 (c) The Council shall:

5 (1) Coordinate and inform on worker and community
6 support priorities beyond current federal, State, local,
7 and private programs and resources.

8 (2) Advise and produce recommendations for further
9 federal, State, and local programs and activities.

10 (3) Other duties determined by the Council to further
11 the economic prosperity of the individuals and communities
12 impacted by the energy transition.

13 (d) The Council shall conduct its first meeting within 30
14 days after all members have been appointed. The Council shall
15 meet quarterly after its first meeting. Additional hearings
16 and public meetings are permitted at the discretion of the
17 members. The Council may meet in person or through video or
18 audio conference.

19 (e) Members shall serve without compensation and may be
20 reimbursed for reasonable expenses incurred in the performance
21 of their duties from funds appropriated for that purpose.

22 Section 5-70. The Illinois Worker Adjustment and
23 Retraining Notification Act is amended by changing Section 10
24 as follows:

1 (820 ILCS 65/10)

2 Sec. 10. Notice.

3 (a) An employer may not order a mass layoff, relocation,
4 or employment loss unless, 60 days before the order takes
5 effect, the employer gives written notice of the order to the
6 following:

7 (1) affected employees and representatives of affected
8 employees; and

9 (2) the Department of Commerce and Economic
10 Opportunity and the chief elected official of each
11 municipal and county government within which the
12 employment loss, relocation, or mass layoff occurs.

13 (a-5) An employer of an investor-owned electric generating
14 plant or coal mining operation may not order a mass layoff,
15 relocation, or employment loss unless, 2 years before the
16 order takes effect, the employer gives written notice of the
17 order to the following:

18 (1) affected employees and representatives of affected
19 employees; and

20 (2) the Department of Commerce and Economic
21 Opportunity and the chief elected official of each
22 municipal and county government within which the
23 employment loss, relocation, or mass layoff occurs.

24 (b) An employer required to give notice of any mass
25 layoff, relocation, or employment loss under this Act shall
26 include in its notice the elements required by the federal

1 Worker Adjustment and Retraining Notification Act (29 U.S.C.
2 2101 et seq.).

3 (c) Notwithstanding the requirements of subsection (a), an
4 employer is not required to provide notice if a mass layoff,
5 relocation, or employment loss is necessitated by a physical
6 calamity or an act of terrorism or war.

7 (d) The mailing of notice to an employee's last known
8 address or inclusion of notice in the employee's paycheck
9 shall be considered acceptable methods for fulfillment of the
10 employer's obligation to give notice to each affected employee
11 under this Act.

12 (e) In the case of a sale of part or all of an employer's
13 business, the seller shall be responsible for providing notice
14 for any plant closing or mass layoff in accordance with this
15 Section, up to and including the effective date of the sale.
16 After the effective date of the sale of part or all of an
17 employer's business, the purchaser shall be responsible for
18 providing notice for any plant closing or mass layoff in
19 accordance with this Section. Notwithstanding any other
20 provision of this Act, any person who is an employee of the
21 seller (other than a part-time employee) as of the effective
22 date of the sale shall be considered an employee of the
23 purchaser immediately after the effective date of the sale.

24 (f) An employer which is receiving State or local economic
25 development incentives for doing or continuing to do business
26 in this State may be required to provide additional notice

1 pursuant to Section 15 of the Business Economic Support Act.

2 (g) The rights and remedies provided to employees by this
3 Act are in addition to, and not in lieu of, any other
4 contractual or statutory rights and remedies of the employees,
5 and are not intended to alter or affect such rights and
6 remedies, except that the period of notification required by
7 this Act shall run concurrently with any period of
8 notification required by contract or by any other law.

9 (h) It is the sense of the General Assembly that an
10 employer who is not required to comply with the notice
11 requirements of this Section should, to the extent possible,
12 provide notice to its employees about a proposal to close a
13 plant or permanently reduce its workforce.

14 (Source: P.A. 93-915, eff. 1-1-05.)

15 Article 10. Community Energy and Climate Planning

16 Section 10-1. Short title. This Article may be cited as
17 the Community Energy and Climate Planning Act. References in
18 this Article to "this Act" mean this Article.

19 Section 10-5. Findings and purpose. The General Assembly
20 makes the following findings:

21 (1) The health, welfare, and prosperity of Illinois
22 citizens require that Illinois take all steps possible to
23 combat climate change, address harmful environmental impacts

1 deriving from the generation of electricity, ensure affordable
2 utility service, equitable and affordable access to
3 transportation, and clean, safe, affordable housing.

4 (2) The achievement of these goals will depend on strong
5 community engagement to ensure that programs and policy
6 solutions meet the needs of disparate communities.

7 (3) Ensuring that these goals are met without adverse
8 impacts on utility bill affordability, housing affordability,
9 and other essential services will depend on the coordination
10 of policies and programs within local communities.

11 Section 10-10. Definitions. As used in this Act:

12 "Alternative energy improvement" means the installation or
13 upgrade of electrical wiring, outlets, or charging stations to
14 charge a motor vehicle that is fully or partially powered by:
15 electricity; photovoltaic, energy storage, or thermal
16 resource; or any combination thereof.

17 "Energy efficiency improvement" means equipment, devices,
18 or materials intended to decrease energy consumption or
19 promote a more efficient use of electricity, natural gas,
20 propane, or other forms of energy on property, including, but
21 not limited to, all of the following: (1) insulation in walls,
22 roofs, floors, foundations, or heating and cooling
23 distribution systems; (2) storm windows and doors,
24 multi-glazed windows and doors, heat-absorbing or
25 heat-reflective glazed and coated window and door systems, and

1 additional glazing, reductions in glass area, and other window
2 and door system modifications that reduce energy consumption;
3 (3) automated energy control systems; (4) high efficiency
4 heating, ventilating, or air-conditioning and distribution
5 system modifications or replacements; (5) caulking,
6 weather-stripping, and air sealing; (6) replacement or
7 modification of lighting fixtures to reduce the energy use of
8 the lighting system; (7) energy controls or recovery systems;
9 (8) day lighting systems; (9) any energy efficiency project,
10 as defined in Section 825-65 of the Illinois Finance Authority
11 Act; and (10) any other installation or modification of
12 equipment, devices, or materials approved as a utility
13 cost-savings measure by the governing body.

14 "Energy project" means the installation or modification of
15 an alternative energy improvement, energy efficiency
16 improvement, or water use improvement, or the acquisition,
17 installation, or improvement of a renewable energy system that
18 is affixed to a stabilized existing property (including new
19 construction).

20 "Environmental justice communities" means the proposed
21 definition of that term based on existing methodologies and
22 findings used by the Illinois Power Agency and its
23 Administrator in its Illinois Solar for All Program.

24 "Governing body" means the county board or board of county
25 commissioners of a county, the city council of a city, or the
26 board of trustees of a village. "Local unit of government"

1 means a county, city, or village.

2 "Renewable energy resource" includes energy and its
3 associated renewable energy credit or renewable energy credits
4 from wind energy, solar thermal energy, geothermal energy,
5 photovoltaic cells and panels, biodiesel, anaerobic digestion,
6 and hydropower that does not involve new construction or
7 significant expansion of hydropower dams. For purposes of this
8 Act, landfill gas produced in the State is considered a
9 renewable energy resource. "Renewable energy resource" does
10 not include the incineration or burning of any solid material.

11 "Renewable energy system" means a fixture, product,
12 device, or interacting group of fixtures, products, or devices
13 on the customer's side of the meter that use one or more
14 renewable energy resources to generate electricity, and
15 specifically includes any renewable energy project, as defined
16 in Section 825-65 of the Illinois Finance Authority Act.

17 "Water use improvement" means any fixture, product,
18 system, device, or interacting group thereof for or serving
19 any property that has the effect of conserving water resources
20 through improved water management, efficiency, or thermal
21 resource.

22 Section 10-15. Community Energy and Climate Plans;
23 creation.

24 (a) Pursuant to the procedures in Section 10-20, a local
25 unit of government may establish Community Energy and Climate

1 Plans and identify boundaries and areas covered by the Plans.

2 (b) Community Energy and Climate Plans are intended to aid
3 local governments develop a comprehensive approach to
4 combining different energy and climate programs and funding
5 resources to achieve complementary impact. An effective
6 planning process may:

7 (1) help communities discover ways that their local
8 government, businesses, and residents can control their
9 energy use and bills;

10 (2) ensure a cost-effective transition away from
11 fossil fuels in the transportation sector;

12 (3) expand access to workforce development and job
13 training opportunities in the emerging clean energy
14 economy;

15 (4) promote economic development through improvements
16 in community infrastructure, transit, and support for
17 local business;

18 (5) improve the health of Illinois communities by
19 reducing emissions, addressing existing brownfield areas,
20 and promoting the integration of distributed energy
21 resources;

22 (6) enable greater customer engagement, empowerment,
23 and options for energy services, and ultimately reduce
24 utility bills for Illinoisans;

25 (7) bring the benefits of grid modernization and the
26 deployment of distributed energy resources to economically

1 disadvantaged communities throughout Illinois;

2 (8) support existing Illinois policy goals promoting
3 energy efficiency, demand response and investments in
4 renewable energy resources; and

5 (9) ensure minorities, women, people with
6 disabilities, and veterans meaningfully participate in the
7 transition to a clean energy economy.

8 (c) A Community Energy and Climate Plan may include
9 discussion of:

10 (1) the demographics of the community, including
11 information on the mix of residential and commercial areas
12 and populations, ages, languages, education and workforce
13 training. This includes an examination of the average
14 utility bills paid within the community by class and
15 census area, the percentage and locations of individuals
16 requiring energy assistance, and the participation of
17 community members in other assistance programs. This also
18 includes an examination of the community's energy use, for
19 electricity, natural gas, transportation, and other fuels;

20 (2) the geography of the community, including the
21 amount of green space, brownfield sites, open space for
22 potential development, location of critical infrastructure
23 such as emergency response facilities, health care and
24 education facilities, and public transportation routes;
25 and

26 (3) information on economic development opportunities,

1 commercial usage, and employment opportunities.

2 (d) A Community Energy and Climate Plan may address the
3 following areas:

4 (1) distributed energy resources, including energy
5 efficiency, demand response, dynamic pricing, energy
6 storage, solar (thermal, rooftop, and community);

7 (2) building codes (both commercial and residential);

8 (3) vehicle miles traveled; and

9 (4) transit options, including individual car
10 ownership, ride sharing, buses, trains, bicycles, and
11 pedestrian walkways.

12 (e) A Community Energy and Climate Plan may conclude with
13 proposals to:

14 (1) increase the use of electricity as a
15 transportation fuel at multi-unit dwellings;

16 (2) maximize the system-wide benefits of
17 transportation electrification;

18 (3) test innovative load management programs or rate
19 structures associated with the use of electric vehicles by
20 residential customers to achieve customer fuel cost
21 savings relative to gasoline or diesel fuels and to
22 optimize grid efficiency;

23 (4) increase the integration of distributed energy
24 resources in the community;

25 (5) significantly expand the percentage of net-zero
26 housing and net-zero buildings in the community;

- 1 (6) improve utility bill affordability;
- 2 (7) increase mass transit ridership;
- 3 (8) decrease vehicle miles traveled;
- 4 (9) reduce local emissions of greenhouse gases, NOx,
- 5 SOx, particulate matter, and other air pollutants; and
- 6 (10) expand opportunities for minorities, women,
- 7 people with disabilities, and veterans to meaningfully
- 8 participate in the transition to a clean energy economy.

9 Section 10-20. Community Energy and Climate Planning
10 Process.

11 (a) An effective planning process shall engage with a
12 diverse set of stakeholders in local communities, including:
13 environmental justice organizations; economic development
14 organizations; faith-based nonprofit organizations;
15 educational institutions; interested residents; health care
16 institutions; tenant organizations; housing institutions,
17 developers, and owners; elected and appointed officials; and
18 representatives reflective of each local community.

19 (b) An effective planning process shall engage with
20 individual members of the community as much as possible to
21 ensure that the Plans receive input from as diverse a set of
22 perspectives as possible.

23 (c) Plan materials and meetings related to the Plan shall
24 be translated into languages that reflect the makeup of the
25 local community.

1 (d) The planning process shall be conducted in an ethical,
2 transparent fashion, and will continually review its policies
3 and practices to determine how best to meet its objectives.

4 (e) The Community Energy and Climate Plans shall take into
5 account other applicable or relevant economic development
6 plans, such as a Comprehensive Economic Development Strategy,
7 developed by a local unit of government, economic development
8 organization, or Regional Planning Council.

9 Section 10-25. Joint Community Energy and Climate Plans. A
10 local unit of government may join with any other local unit of
11 government, or with any public or private person, or with any
12 number or combination thereof, under the Intergovernmental
13 Cooperation Act, by contract or otherwise as may be permitted
14 by law, for the implementation of a Community Energy and
15 Climate Plan, in whole or in part.

16 Article 15. Minimum Energy and Water Efficiency Standards

17 Section 15-1. Short title. This Article may be cited as
18 the Minimum Energy and Water Efficiency Standards Act.
19 References in this Article to "this Act" mean this Article.

20 Section 15-5. Findings. The General Assembly finds that:

21 (1) Efficiency standards for certain products sold or
22 installed in the State assure consumers and businesses

1 that such products meet minimum efficiency performance
2 levels, thus reducing energy and water waste and saving
3 consumers and businesses money on utility bills.

4 (2) Efficiency standards contribute to the economy of
5 this State by helping to better balance supply and demand
6 for both energy and water, thus reducing pressure that
7 creates higher natural gas, electricity, and water prices.
8 By saving consumers and businesses money on utility bills,
9 efficiency standards help the State and local economy,
10 since utility bill savings can be spent on local goods and
11 services.

12 (3) Such efficiency standards save energy and thus
13 reduce pollution and other environmental impacts
14 associated with the production, distribution, and use of
15 electricity, natural gas, and other fuels.

16 (4) Such water efficiency standards save water and
17 thus reduce the strain on the water supply. Furthermore,
18 improved water efficiency can reduce or delay the need for
19 water and sewer infrastructure improvements.

20 (5) Such efficiency standards can make electricity and
21 natural gas systems more reliable by reducing the strain
22 on systems during peak demand periods. Furthermore,
23 improved efficiency can reduce or delay the need for new
24 power plants, power transmission lines, and power
25 distribution system upgrades as well as new and expanded
26 gas pipelines.

1 Section 15-10. Definitions. In this Act:

2 "Agency" means the Illinois Environmental Protection
3 Agency.

4 "Air purifier", also known as "room air cleaner", means an
5 electric, cord-connected, portable appliance with the primary
6 function of removing particulate matter from the air and which
7 can be moved from room to room.

8 "Cold-only unit" means a water cooler that dispenses cold
9 water only.

10 "Cold temperature fluorescent lamp" means a fluorescent
11 lamp that is not a compact fluorescent lamp that is: (1)
12 specifically designed to start at -20° F when used with a
13 ballast conforming to the requirements of ANSI C78.81 and ANSI
14 C78.901; and (2) expressly designated as a cold temperature
15 lamp both in markings on the lamp and in marketing materials,
16 including catalogs, sales literature, and promotional
17 materials.

18 "Commercial dishwasher" means a machine designed to clean
19 and sanitize plates, pots, pans, glasses, cups, bowls,
20 utensils, and trays by applying sprays of detergent solution
21 (with or without blasting media granules) and a sanitizing
22 rinse.

23 "Commercial fryer" means an appliance, including a cooking
24 vessel, in which oil is placed to such a depth that the cooking
25 food is essentially supported by displacement of the cooking

1 fluid rather than by the bottom of the vessel. Heat is
2 delivered to the cooking fluid by means of an immersed
3 electric element of band-wrapped vessel (electric fryers) or
4 by heat transfer from gas burners through either the walls of
5 the fryer or through tubes passing through the cooking fluid
6 (gas fryers).

7 "Commercial hot-food holding cabinet" means a heated,
8 fully enclosed compartment with one or more solid or
9 transparent doors designed to maintain the temperature of hot
10 food that has been cooked using a separate appliance.
11 "Commercial hot-food holding cabinet" does not include heated
12 glass merchandizing cabinets, drawer warmers, or cook-and-hold
13 appliances.

14 "Commercial oven" means a chamber designed for heating,
15 roasting, or baking food by conduction, convection, radiation,
16 or electromagnetic energy.

17 "Commercial steam cooker" or "compartment steamer" means a
18 device with one or more food-steaming compartments in which
19 the energy in the steam is transferred to the food by direct
20 contact and includes countertop models, wall-mounted models,
21 and floor models mounted on a stand, pedestal, or
22 cabinet-style base.

23 "Compensation" means money or any other valuable thing,
24 regardless of form, received or to be received by a person for
25 services rendered.

26 "Cook and cold unit" means a water cooler that dispenses

1 both cold and room temperature water.

2 "Decorative gas fireplace" means a vented fireplace,
3 including appliances that are freestanding, recessed, zero
4 clearance, or gas fireplace inserts, that is fueled by natural
5 gas or propane, marked for decorative use only, and not
6 equipped with a thermostat or intended for use as a heater.

7 "Dual-flush effective flush volume" means the average
8 flush volume of 2 reduced flushes and one full flush.

9 "Dual-flush water closet" means a water closet
10 incorporating a feature that allows the user to flush the
11 water closet with either a reduced or a full volume of water.

12 "Electric vehicle supply equipment" means conductors,
13 including, but not limited to, ungrounded, grounded, and
14 equipment grounding conductors, electric vehicle connectors,
15 attachment plugs, and all other fittings, devices, power
16 outlets, or apparatuses installed specifically for the purpose
17 of delivering energy from the premises wiring to an electric
18 vehicle. "Electric vehicle supply equipment" includes charging
19 cords with NEMA 5-15P and NEMA 5-20P attachment plugs.
20 "Electric vehicle supply equipment" does not include
21 conductors, connectors, and fittings that are part of an
22 electric vehicle.

23 "Faucet" means a private lavatory faucet, residential
24 kitchen faucet, metering faucet, public lavatory faucet, or
25 replacement aerator for a private lavatory, public lavatory,
26 or residential kitchen faucet.

1 "Gas fireplace" means a decorative gas fireplace or a
2 heating gas fireplace.

3 "Handheld shower head" means a shower head that can be
4 held or fixed in place for the purpose of spraying water onto a
5 bather and that is connected to a flexible hose.

6 "Heating gas fireplace" means a vented fireplace,
7 including appliances that are freestanding, recessed, zero
8 clearance, or gas fireplace inserts, that is fueled by natural
9 gas or propane and is not a decorative fireplace.

10 "High color rendering index fluorescent lamp" or "high CRI
11 fluorescent lamp" means a fluorescent lamp with a color
12 rendering index of 87 or greater that is not a compact
13 fluorescent lamp.

14 "Hot and cold unit" means a water cooler that dispenses
15 hot, cold, or room temperature water.

16 "Impact-resistant fluorescent lamp" means a fluorescent
17 lamp that is not a compact fluorescent lamp that:

18 (1) has a coating or equivalent technology that is
19 compliant with NSF/ANSI 51 and is designed to contain
20 glass if the glass envelope of the lamp is broken; and

21 (2) is designated and marketed for the intended
22 application, with:

23 (A) the designation on the lamp packaging; and

24 (B) marketing materials that identify the lamp as
25 being impact-resistant, shatter-resistant,
26 shatterproof, or shatter-protected.

1 "Metering faucet" means a faucet with a fitting that, when
2 turned on, will gradually shut itself off over a period of
3 several seconds.

4 "On demand water cooler" means a water cooler that heats
5 water as it is requested, typically taking a few minutes to
6 deliver.

7 "Plumbing fixture" means an exchangeable device that
8 connects to a plumbing system to deliver and drain away water
9 and waste.

10 "Portable electric spa" means a factory-built electric spa
11 or hot tub which may or may not include any combination of
12 integral controls, water heating, or water circulating
13 equipment.

14 "Pressure regulator" means a device that maintains
15 constant operating pressure immediately downstream from the
16 device, given higher pressure upstream.

17 "Public lavatory faucet" means a faucet with a fitting
18 designed to be installed in nonresidential bathrooms that are
19 exposed to walk-in traffic.

20 "Replacement aerator" means an aerator sold as a
21 replacement, separate from the faucet to which it is intended
22 to be attached.

23 "Residential ventilating fan" means a ceiling-mounted fan,
24 wall-mounted fan, or remotely mounted in-line fan designed to
25 be used in a bathroom or utility room for the purpose of moving
26 air from inside the building to the outdoors.

1 "Shower head" means a device through which water is
2 discharged for a shower bath. "Shower head" includes a
3 handheld shower head. "Shower head" does not include a shower
4 head for a safety shower.

5 "Spray sprinkler body" means the exterior case or shell of
6 a sprinkler incorporating a means of connection to the piping
7 system designed to convey water to a nozzle or orifice.

8 "State-regulated general service lamp" means any of the
9 following medium-base incandescent light bulbs:

10 (1) Reflector lamps that are:

11 (A) ER30, BR30, BR40, or ER40 lamps rated at 50
12 watts or less;

13 (B) BR30, BR40, or ER40 lamps rated at 65 watts; or

14 (C) R20 lamps rated at 45 watts or less.

15 (2) B, BA, CA, F, and G shape lamps, as defined in ANSI
16 C79.1:2002 with a lumen output of greater than or equal to
17 200 and rated at 40 watts or less.

18 (3) A and C shape lamps, as defined in ANSI C79.1:2002
19 with lumen output greater than or equal to 200 and less
20 than 310.

21 (4) Shatter-resistant lamps.

22 (5) 3-way lamps.

23 "Storage-type water cooler" means a water cooler in which
24 thermally conditioned water is stored in a tank in the water
25 cooler and is available instantaneously. "Storage-type water
26 cooler" includes point-of-use, dry storage compartment, and

1 bottled water coolers.

2 "Trough-type urinal" means a urinal designed for
3 simultaneous use by 2 or more persons.

4 "Urinal" means a plumbing fixture that receives only
5 liquid body waste and conveys the waste through a trap into a
6 drainage system.

7 "Water closet" means a plumbing fixture having a
8 water-containing receptor that receives liquid and solid body
9 waste through an exposed integral trap into a drainage system.

10 "Water cooler" means a freestanding device that consumes
11 energy to cool or heat potable water.

12 Section 15-15. Scope.

13 (a) The provisions of this Act apply to:

- 14 (1) air purifiers;
- 15 (2) commercial dishwashers;
- 16 (3) commercial fryers;
- 17 (4) commercial hot-food holding cabinets;
- 18 (5) commercial ovens;
- 19 (6) commercial steam cookers;
- 20 (7) computers and computer monitors;
- 21 (8) electric vehicle supply equipment;
- 22 (9) faucets;
- 23 (10) gas fireplaces;
- 24 (11) high CRI, cold temperature, and impact-resistant
25 fluorescent lamps;

- 1 (12) portable electric spas;
- 2 (13) residential ventilating fans;
- 3 (14) shower heads;
- 4 (15) spray sprinkler bodies;
- 5 (16) State-regulated general service lamps;
- 6 (17) urinals;
- 7 (18) water closets;
- 8 (19) water coolers; and
- 9 (20) any other products as may be designated by the
- 10 Agency in accordance with Section 15-30 or under Section
- 11 15-40.

12 (b) The provisions of this Act do not apply to:

- 13 (1) new products manufactured in the State and sold
- 14 outside the State;
- 15 (2) new products manufactured outside the State and
- 16 sold at wholesale inside the State for final retail sale
- 17 and installation outside the State;
- 18 (3) products installed in mobile manufactured homes at
- 19 the time of construction; or
- 20 (4) products designed expressly for installation and
- 21 use in recreational vehicles.

22 Section 15-20. Standards.

23 (a) Not later than one year after the effective date of

24 this Act, the Agency shall adopt rules establishing minimum

25 efficiency standards for the types of new products set forth

1 in Section 15-15.

2 (b) The rules shall provide for the following minimum
3 efficiency standards:

4 (1) Air purifiers, except industrial air purifiers,
5 shall meet the following requirements as measured in
6 accordance with the ENERGY STAR Program Requirements
7 Product Specification for Room Air Cleaners, Version 2.0:

8 (A) clean air delivery rate for smoke shall be 30
9 or greater;

10 (B) for models with a clean air delivery rate for
11 smoke less than 100, clean air delivery rate per watt
12 for smoke shall be greater than or equal to 1.7;

13 (C) for models with a clean air delivery rate for
14 smoke greater than or equal to 100 and less than 150,
15 clean air delivery rate per watt for smoke shall be
16 greater than or equal to 1.9;

17 (D) for models with a clean air delivery rate for
18 smoke greater than or equal to 150, clean air delivery
19 rate per watt for smoke shall be greater than or equal
20 to 2.0;

21 (E) for ozone-emitting models, measured ozone
22 shall be less than or equal to 50 parts per billion
23 (ppb);

24 (F) for models with a Wi-Fi network connection
25 enabled by default when shipped, partial on mode power
26 shall not exceed 2 watts; and

1 (G) For models without a Wi-Fi network connection
2 enabled by default when shipped, partial on mode power
3 shall not exceed 1 watt.

4 (2) Commercial dishwashers included in the scope of
5 the ENERGY STAR Program Requirements Product Specification
6 for Commercial Dishwashers, Version 2.0, shall meet the
7 qualification criteria of that specification.

8 (3) Commercial fryers included in the scope of the
9 ENERGY STAR Program Requirements Product Specification for
10 Commercial Fryers, Version 2.0, shall meet the
11 qualification criteria of that specification.

12 (4) Commercial hot-food holding cabinets shall meet
13 the qualification criteria of the ENERGY STAR Program
14 Requirements Product Specification for Commercial Hot Food
15 Holding Cabinets, Version 2.0.

16 (5) Commercial steam cookers shall meet the
17 requirements of the ENERGY STAR Program Requirements
18 Product Specification for Commercial Steam Cookers,
19 Version 1.2. Commercial ovens included in the scope of the
20 ENERGY STAR Program Requirements Product Specification for
21 Commercial Ovens, Version 2.2, shall meet the
22 qualification criteria of that specification.

23 (6) Computers and computer monitors shall be
24 consistent with similar energy and water efficiency
25 standards adopted federally and in other states.

26 (7) Electric vehicle supply equipment included in the

1 scope of the ENERGY STAR Program Requirements Product
2 Specification for Electric Vehicle Supply Equipment,
3 Version 1.0 (Rev. April 2017), shall meet the
4 qualification criteria of that specification.

5 (8) Faucets, except for metering faucets, shall meet
6 the standards shown in this paragraph when tested in
7 accordance with Appendix S to Subpart B of Part 430 of
8 Title 10 of the Code of Federal Regulations and compliance
9 with those requirements shall be, "Uniform Test Method for
10 Measuring the Water Consumption of Faucets and
11 Showerheads", as in effect on January 1, 2020.

12 (A) Lavatory faucets and replacement aerators
13 shall not exceed a maximum flow rate of 1.5 gallons per
14 minute at 60 pounds per square inch.

15 (B) Residential kitchen faucets and replacement
16 aerators shall not exceed a maximum flow rate of 1.8
17 gallons per minute at 60 pounds per square inch, with
18 optional temporary flow of 2.2 gallons per minute,
19 provided they default to a maximum flow rate of 1.8
20 gallons per minute at 60 pounds per square inch after
21 each use.

22 (C) Public lavatory faucets and replacement
23 aerators shall not exceed a maximum flow rate of 0.5
24 gallons per minute at 60 pounds per square inch.

25 (9) Gas fireplaces shall comply with the following
26 requirements:

1 (A) Gas fireplaces shall be capable of
2 automatically extinguishing any pilot flame when the
3 main gas burner flame is established and when it is
4 extinguished.

5 (B) Gas fireplaces must prevent any ignition
6 source for the main gas burner flame from operating
7 continuously for more than 7 days.

8 (C) Decorative gas fireplaces must have a direct
9 vent configuration, unless marked for replacement use
10 only.

11 (D) Heating gas fireplaces shall have a fireplace
12 efficiency greater than or equal to 50% when tested in
13 accordance with CSA P.4.1-15, "Testing Method for
14 Measuring Annual Fireplace Efficiency".

15 (10) High CRI, cold temperature, and impact-resistant
16 fluorescent lamps shall meet the minimum efficacy
17 requirements contained in Section 430.32(n)(4) of Title 10
18 of the Code of Federal Regulations as in effect on January
19 1, 2020, as measured in accordance with Appendix R to
20 Subpart B of Part 430 of Title 10 of the Code of Federal
21 Regulations, "Uniform Test Method for Measuring Average
22 Lamp Efficacy, Color Rendering Index, and Correlated Color
23 Temperature of Electric Lamps", as in effect on January 1,
24 2020.

25 (11) Portable electric spas shall meet the
26 requirements of the "American National Standard for

1 Portable Electric Spa Energy Efficiency".

2 (12) In-line residential ventilating fans shall have a
3 fan motor efficacy of no less than 2.8 cubic feet per
4 minute per watt. All other residential ventilating fans
5 shall have a fan motor efficacy of no less than 1.4 cubic
6 feet per minute per watt for airflows less than 90 cubic
7 feet per minute and no less than 2.8 cubic feet per minute
8 per watt for other airflows when tested in accordance with
9 Home Ventilation Institute Publication 916 "HVI Airflow
10 Test Procedure".

11 (13) Shower heads shall not exceed a maximum flow rate
12 of 2.0 gallons per minute at 80 pounds per square feet when
13 tested in accordance with Appendix S to Subpart B of Part
14 430 of Title 10 of the Code of Federal Regulations and
15 compliance with those requirements shall be "Uniform Test
16 Method for Measuring the Water Consumption of Faucets and
17 Showerheads", as in effect on January 1, 2020.

18 (14) Spray sprinkler bodies that are not specifically
19 excluded from the scope of the WaterSense Specification
20 for Spray Sprinkler Bodies, Version 1.0, shall include an
21 integral pressure regulator and shall meet the water
22 efficiency and performance criteria and other requirements
23 of that specification.

24 (15) State-regulated general service lamps shall meet
25 or exceed a lamp efficacy of 45 lumens per watt when tested
26 in accordance with the federal test procedures for general

1 service lamps, prescribed in Section 430.23(gg) of Title
2 10 of the Code of Federal Regulations as in effect on
3 January 1, 2020.

4 (16) Urinals and water closets, other than those
5 designed and marketed exclusively for use at prisons or
6 mental health facilities, shall meet the standards shown
7 in paragraphs (1) through (3) when tested in accordance
8 with Appendix T to Subpart B of Part 430 of Title 10 of the
9 Code of Federal Regulations, "Uniform Test Method for
10 Measuring the Water Consumption of Water Closets and
11 Urinals", as in effect on January 1, 2020, and water
12 closets shall pass the waste extraction test for water
13 closets of the American Society of Mechanical Engineers
14 A112.19.2/CSA B45.1-2018.

15 (A) Wall-mounted urinals, except for trough-type
16 urinals, shall have a maximum flush volume of 0.5
17 gallons per flush.

18 (B) Floor-mounted urinals, except for trough-type
19 urinals, shall have a maximum flush volume of 0.5
20 gallons per flush.

21 (C) Water closets, except for dual-flush tank-type
22 water closets, shall have a maximum flush volume of
23 1.28 gallons per flush.

24 (D) Dual-flush tank-type water closets shall have
25 a maximum dual-flush effective flush volume of 1.28
26 gallons per flush.

1 (18) Water coolers included in the scope of the ENERGY
2 STAR Program Requirements Product Specification for Water
3 Coolers, Version 2.0, shall have on mode with no water
4 draw energy consumption less than or equal the following
5 values as measured in accordance with the test
6 requirements of that program:

7 (A) 0.16 kilowatt-hours per day for cold-only
8 units and cook and cold units;

9 (B) 0.87 kilowatt-hours per day for storage-type
10 hot and cold units; and

11 (C) 0.18 kilowatt-hours per day for on demand hot
12 and cold units.

13 Section 15-25. Implementation.

14 (a) On or after January 1, 2023, no new air purifier, cold
15 temperature fluorescent lamp, commercial dishwasher,
16 commercial fryer, commercial hot-food holding cabinet,
17 commercial oven, commercial steam cooker, computer or computer
18 monitor, electrical vehicle supply equipment, faucet, gas
19 fireplace, high CRI fluorescent lamp, impact-resistant
20 fluorescent lamp, portable electric spa, residential
21 ventilating fan, shower head, spray sprinkler body,
22 State-regulated general service lamp, urinal, water closet, or
23 water cooler may be sold or offered for sale, lease, or rent in
24 the State unless the new product meets the requirements of the
25 standards provided in Section 15-20.

1 (b) No later than 6 months from the effective date of this
2 Act, and as necessary thereafter, the Agency shall determine
3 which general service lamps are subject to federal preemption.
4 On or after January 1, 2022, no general service lamp that is
5 not subject to federal preemption may be sold or offered for
6 sale in the State unless the efficiency of the new product
7 meets or exceeds the efficiency standards provided in Section
8 15-20.

9 (c) One year after the date upon which the sale or offering
10 for sale of certain products becomes subject to the
11 requirements of subsection (a) or (b) of this Section, no such
12 products may be installed for compensation in the State unless
13 the efficiency of the new product meets or exceeds the
14 efficiency standards provided in Section 15-20.

15 Section 15-30. New and revised standards. The Agency may
16 adopt rules, in accordance with the provisions of Illinois
17 Administrative Procedure Act, to establish increased
18 efficiency standards for the products listed or incorporated
19 in Section 15-15. The Agency may also establish standards for
20 products not specifically listed in Section 15-15.

21 Section 15-35. Protection against repeal of federal
22 standards.

23 (a) If any of the energy or water conservation standards
24 issued or approved for publication by the Office of the United

1 States Secretary of Energy as of January 1, 2018, under the
2 federal Energy Policy and Conservation Act, are withdrawn,
3 repealed, or otherwise voided, the minimum energy or water
4 efficiency level permitted for products previously subject to
5 federal energy or water conservation standards shall be the
6 previously applicable federal standards, and no such new
7 product may be sold or offered for sale, lease or rent in the
8 State unless it meets or exceeds such standards.

9 (b) This Section shall not apply to any federal energy or
10 water conservation standard set aside by a court upon the
11 petition of a person who will be adversely affected, as
12 provided in Section 6306(b) of Title 42 of the United States
13 Code.

14 Section 15-40. Testing, certification, labeling, and
15 enforcement.

16 (a) The manufacturers of products covered by this Act
17 shall test samples of their products in accordance with the
18 test procedures adopted under this Act. The Agency may adopt
19 updated test methods when new versions of test procedures
20 become available.

21 (b) Manufacturers of new products covered by Section 15-15
22 of this Act shall certify to the Agency that such products are
23 in compliance with the provisions of this Act. Such
24 certifications shall be based on test results. The Agency
25 shall adopt rules governing the certification of such products

1 and shall coordinate with the certification programs of other
2 states and federal agencies with similar standards.

3 (c) Manufacturers of new products covered by Section 15-15
4 of this Act shall identify each product offered for sale or
5 installation in the State as in compliance with the provisions
6 of this Act by means of a mark, label, or tag on the product
7 and packaging at the time of sale or installation. The Agency
8 shall adopt rules governing the identification of such
9 products and packaging, which shall be coordinated to the
10 greatest practical extent with the labeling programs of other
11 states and federal agencies with equivalent efficiency
12 standards. The Agency shall allow the use of existing marks,
13 labels, or tags, which connote compliance with the efficiency
14 requirements of this Act.

15 (d) The Agency may test products covered by Section 15-15.
16 If products so tested are found not to be in compliance with
17 the minimum efficiency standards established under Section
18 15-20, the Agency shall:

19 (1) charge the manufacturer of such product for the
20 cost of product purchase and testing; and

21 (2) make information available to the public on
22 products found not to be in compliance with the standards.

23 (e) With prior notice and at reasonable and convenient
24 hours, the Agency may cause periodic inspections to be made of
25 distributors or retailers of new products covered by Section
26 15-15 in order to determine compliance with the provisions of

1 this Act.

2 (f) The Agency shall investigate complaints received
3 concerning violations of this Act and shall report the results
4 of such investigations to the Attorney General. The Attorney
5 General may institute proceedings to enforce the provisions of
6 this Act. Any manufacturer, distributor, or retailer, or any
7 person who installs a product covered by this Act for
8 compensation, who violates any provision of this Act, shall be
9 issued a warning by the Agency for any first violation and
10 subject to a civil penalty of up to one hundred dollars for
11 each offense. Repeat violations shall be subject to a civil
12 penalty of not more than \$500 for each offense. Each violation
13 shall constitute a separate offense, and each day that such
14 violation continues shall constitute a separate offense.

15 (g) The Agency may adopt such further rules as necessary
16 to ensure the proper implementation and enforcement of the
17 provisions of this Act.

18 Article 20. Electric Vehicle Charging Act

19 Section 20-1. Short title. This Article may be cited as
20 the Electric Vehicle Charging Act. References in this Article
21 to "this Act" mean this Article.

22 Section 20-5. Legislative intent. Electric vehicles are an
23 important tool to fight the climate crisis, tackle air

1 pollution, and provide safe, clean, and affordable personal
2 transportation. The State should encourage urgent and
3 widespread adoption of electric vehicles. Since most current
4 electric vehicle owners are single-family homeowners who
5 charge at home, providing access to home charging for those in
6 multi-unit dwellings is crucial to wider electric vehicle
7 adoption. This includes condominium unit owners and renters,
8 regardless of parking space ownership and regardless of
9 income. Therefore, a significant portion of parking spaces in
10 new and renovated residential and commercial developments must
11 be capable of electric vehicle charging. Additionally, renters
12 and condominium unit owners must be able to install charging
13 equipment for their cars under reasonable conditions.

14 Section 20-10. Applicability. This Act applies to new or
15 renovated residential or nonresidential buildings that have
16 parking spaces and are constructed or renovated after the
17 effective date of this Act.

18 Section 20-15. Definitions. As used in this Act:

19 "Association" has the meaning set forth in subsection (o)
20 of Section 2 of the Condominium Property Act or Section 1-5 of
21 the Common Interest Community Association Act, as applicable.

22 "Electric vehicle" means (i) a vehicle that is exclusively
23 powered by and refueled by electricity, (2) must be plugged in
24 to charge, and (3) is licensed to drive on public roadways.

1 "Electric vehicle" does not include (i) electric motorcycles,
2 or (ii) hybrid electric vehicles and extended-range electric
3 vehicles that are also equipped with conventional fueled
4 propulsion or auxiliary engines.

5 "Electric vehicle capable" means having an installed
6 electrical panel capacity with a dedicated branch circuit and
7 a continuous raceway from the panel to the future electric
8 vehicle parking space.

9 "Electric vehicle station" means a station that is
10 designed in compliance with the relevant building code and
11 delivers electricity from a source outside an electric vehicle
12 into one or more electric vehicles.

13 "Electric vehicle system" includes several charging points
14 simultaneously connecting several electric vehicles to the
15 electric vehicle charging station and any related equipment
16 needed to facilitate charging an electric vehicle. "Electric
17 vehicle charging system" means a device that is:

18 (1) used to provide electricity to an electric
19 vehicle;

20 (2) designed to ensure that a safe connection has been
21 made between the electric grid and the electric vehicle;
22 and

23 (3) able to communicate with the vehicle's control
24 system so that electricity flows at an appropriate voltage
25 and current level. An electric vehicle charging system may
26 be wall mounted or pedestal style, may provide multiple

1 cords to connect with electric vehicles, and shall:

2 (i) be certified by underwriters laboratories or
3 have been granted an equivalent certification; and

4 (ii) comply with the current version of Article
5 625 of the National Electrical Code.

6 "Electric vehicle supply equipment" means a conductor,
7 including an ungrounded, grounded, and equipment grounding
8 conductor, and electric vehicle connectors, attachment plugs,
9 and all other fittings, devices, power outlets, and
10 apparatuses installed specifically for the purpose of
11 transferring energy between the premises wiring and the
12 electric vehicle.

13 "Electric vehicle ready" means a parking space that is
14 designed and constructed to include a fully wired circuit with
15 a 208-volt to 250-volt, rated no more than 50-ampere electric
16 vehicle charging receptacle outlet or termination point,
17 including the conduit, wiring, and electrical service capacity
18 necessary to serve that receptacle, to allow for future
19 electric vehicle supply equipment.

20 "Level 1" means a charging system that provides charging
21 through a 120-volt AC plug with a cord connector that meets the
22 SAE International J2954 standard or successor standard.

23 "Level 2" means a charging system that provides charging
24 through a 208-volt to 240-volt AC plug with a cord connector
25 that meets the SAE International J2954 standard or a successor
26 standard.

1 "New" means any newly constructed building and associated
2 newly constructed parking facility.

3 "Reasonable restriction" means a restriction that does not
4 significantly increase the cost of the electric vehicle
5 charging station or electric vehicle charging system or
6 significantly decrease its efficiency or specified
7 performance.

8 "Renovated" means altered or added where electrical
9 service capacity is increased.

10 Section 20-20. Residential requirements. A new or
11 renovated residential building shall have:

12 (1) 100% of its total parking spaces electric vehicle
13 ready, if there are one to 6 parking spaces;

14 (2) 100% of its total parking spaces electric vehicle
15 capable, of which at least 20% shall be electric vehicle
16 ready, if there are 6 to 23 parking spaces; or

17 (3) 100% of its total parking spaces electric vehicle
18 capable, if there are 24 or more parking spaces, of which
19 at least 5 spots shall be EV Ready. Additionally, if there
20 are 24 or more parking spaces, a new or renovated
21 residential building shall provide at least one parking
22 space with electric vehicle supply equipment installed,
23 and for each additional parking space with electric
24 vehicle supply equipment installed, the electric vehicle
25 ready requirement is decreased by 2%.

1 Where additional parking exists or is feasible, each
2 parking space shall be marked and signed for common use by
3 residents. A resident shall use an electric vehicle parking
4 space only when he or she is charging his or her electric
5 vehicle.

6 Section 20-25. Nonresidential requirements. A new or
7 renovated nonresidential building shall have 20% of its total
8 parking spaces electric vehicle ready.

9 Section 20-30. Electric vehicle charging station policy
10 for unit owners.

11 (a) Any covenant, restriction, or condition contained in
12 any deed, contract, security interest, or other instrument
13 affecting the transfer or sale of any interest in a
14 condominium or common interest community, and any provision of
15 a governing document that effectively prohibits or
16 unreasonably restricts the installation or use of an electric
17 vehicle charging station within a unit owner's unit or a
18 designated parking space, including, but not limited to, a
19 deeded parking space, a parking space in a unit owner's
20 exclusive use common area, or a parking space that is
21 specifically designated for use by a particular unit owner, or
22 is in conflict with this Section, is void and unenforceable.

23 (b) This Section does not apply to provisions that impose
24 a reasonable restriction on an electric vehicle charging

1 station. However, it is the policy of this State to promote,
2 encourage, and remove obstacles to the use of an electric
3 vehicle charging station.

4 (c) An electric vehicle charging station shall meet
5 applicable health and safety standards and requirements
6 imposed by State and local authorities, and all other
7 applicable zoning, land use, or other ordinances or land use
8 permits.

9 (d) If approval is required for the installation or use of
10 an electric vehicle charging station, the association shall
11 process and approve the application in the same manner as an
12 application for approval of an architectural modification to
13 the property, and the association shall not willfully avoid or
14 delay the adjudication of the application. The approval or
15 denial of an application shall be in writing.

16 (e) If the electric vehicle charging station is to be
17 placed in a common area or exclusive use common area, as
18 designated by the condominium or common interest community
19 association, the following applies:

20 (1) The unit owner shall first obtain approval from
21 the association to install the electric vehicle charging
22 station and the association shall approve the installation
23 if the unit owner agrees, in writing, to:

24 (i) comply with the association's architectural
25 standards for the installation of the electric vehicle
26 charging station;

1 (ii) engage a licensed electrical contractor to
2 install the electric vehicle charging station;

3 (iii) within 14 days after approval, provide a
4 certificate of insurance that names the association as
5 an additional insured party under the unit owner's
6 insurance policy as required under paragraph (3); and

7 (iv) pay for both the costs associated with the
8 installation of and the electricity usage associated
9 with the electric vehicle charging station.

10 (2) The unit owner, and each successive unit owner of
11 the electric vehicle charging station, is responsible for:

12 (i) costs for damage to the electric vehicle
13 charging station, common area, exclusive use common
14 area, or separate interests resulting from the
15 installation, maintenance, repair, removal, or
16 replacement of the electric vehicle charging station;

17 (ii) costs for the maintenance, repair, and
18 replacement of the electric vehicle charging station
19 until it has been removed, and for the restoration of
20 the common area after removal;

21 (iii) costs of electricity associated with the
22 charging station, which shall be based on:

23 (A) an inexpensive submetering device; or

24 (B) a reasonable calculation of cost, based on
25 the average miles driven, efficiency of the
26 electric vehicle calculated by the United States

1 Environmental Protection Agency, and the cost of
2 electricity for the common area; and

3 (iv) disclosing to a prospective buyer the
4 existence of any electric vehicle charging station of
5 the unit owner and the related responsibilities of the
6 unit owner under this Section.

7 (3) The purpose of the costs under paragraph (2) is
8 for the reasonable reimbursement of electricity usage, and
9 shall not be set to deliberately exceed the reasonable
10 reimbursement.

11 (4) The unit owner of the electric vehicle charging
12 station, whether the electric vehicle charging station is
13 located within the common area or exclusive use common
14 area, shall, at all times, maintain a liability coverage
15 policy. The unit owner that submitted the application to
16 install the electric vehicle charging station shall
17 provide the association with the corresponding certificate
18 of insurance within 14 days after approval of the
19 application. The unit owner, and each successive unit
20 owner, shall provide the association with the certificate
21 of insurance annually thereafter.

22 (5) A unit owner is not required to maintain a
23 homeowner liability coverage policy for an existing
24 National Electrical Manufacturers Association standard
25 alternating current power plug.

26 (f) Except as provided in subsection (g), the installation

1 of an electric vehicle charging station for the exclusive use
2 of a unit owner in a common area that is not an exclusive use
3 common area shall be authorized by the association only if
4 installation in the unit owner's designated parking space is
5 impossible or unreasonably expensive. In such an event, the
6 association shall enter into a license agreement with the unit
7 owner for the use of the space in a common area, and the unit
8 owner shall comply with all of the requirements in subsection
9 (e).

10 (g) An association may install an electric vehicle
11 charging station in the common area for the use of all unit
12 owners and members of the association. The association shall
13 develop appropriate terms of use for the electric vehicle
14 charging station.

15 (h) An association may create a new parking space where
16 one did not previously exist to facilitate the installation of
17 an electric vehicle charging station.

18 (i) An association that willfully violates this Section
19 shall be liable to the unit owner for actual damages and shall
20 pay a civil penalty to the unit owner not to exceed \$1,000.

21 (j) In any action by a unit owner requesting to have an
22 electric vehicle charging station installed and seeking to
23 enforce compliance with this Section, the court shall award
24 reasonable attorney's fees to a prevailing plaintiff.

25 Section 20-35. Electric vehicle charging system policy for

1 renters.

2 (a) Notwithstanding any provision in the lease to the
3 contrary, and subject to subsection (b):

4 (1) A tenant may install, at the tenant's expense for
5 the tenant's own use, a level 1 or level 2 electric vehicle
6 charging system on or in the leased premises.

7 (2) A landlord shall not assess or charge a tenant any
8 fee for the placement or use of an electric vehicle
9 charging system, except that:

10 (i) The landlord may:

11 (A) require reimbursement for the actual cost
12 of electricity provided by the landlord that was
13 used by the electric vehicle charging system; or

14 (B) charge a reasonable fee for access. If the
15 electric vehicle charging system is part of a
16 network for which a network fee is charged, the
17 landlord's reimbursement may include the amount of
18 the network fee. Nothing in this subparagraph
19 requires a landlord to impose upon a tenant a fee
20 or charge other than the rental payments specified
21 in the lease.

22 (ii) The landlord may require reimbursement for
23 the cost of the installation of the electric vehicle
24 charging system, including any additions or upgrades
25 to existing wiring directly attributable to the
26 requirements of the electric vehicle charging system,

1 if the landlord places or causes the electric vehicle
2 charging system to be placed at the request of the
3 tenant.

4 (iii) If the tenant desires to place an electric
5 vehicle charging system in an area accessible to other
6 tenants, the landlord may assess or charge the tenant
7 a reasonable fee to reserve a specific parking space
8 in which to install the electric vehicle charging
9 system.

10 (b) A landlord may require a tenant to comply with:

11 (1) bona fide safety requirements consistent with an
12 applicable building code or recognized safety standard for
13 the protection of persons and property;

14 (2) a requirement that the electric vehicle charging
15 system be registered with the landlord within 30 days
16 after installation; or

17 (3) reasonable aesthetic provisions that govern the
18 dimensions, placement, or external appearance of an
19 electric vehicle charging system.

20 (c) A tenant may place an electric vehicle charging system
21 in an area accessible to other tenants if:

22 (1) the electric vehicle charging system is in
23 compliance with all applicable requirements adopted by a
24 landlord under subsection (b); and

25 (2) the tenant agrees, in writing, to:

26 (i) comply with the landlord's design

1 specifications for the installation of an electric
2 vehicle charging system;

3 (ii) engage the services of a duly licensed and
4 registered electrical contractor familiar with the
5 installation and code requirements of an electric
6 vehicle charging system; and

7 (iii) provide, within 14 days after receiving the
8 landlord's consent for the installation, a certificate
9 of insurance naming the landlord as an additional
10 insured party on the tenant's renter's insurance
11 policy for any claim related to the installation,
12 maintenance, or use of the electric vehicle charging
13 system or, at the landlord's option, reimbursement to
14 the landlord for the actual cost of any increased
15 insurance premium amount attributable to the electric
16 vehicle charging system, notwithstanding any provision
17 to the contrary in the lease. The tenant shall provide
18 reimbursement for an increased insurance premium
19 amount within 14 days after the tenant receives the
20 landlord's invoice for the amount attributable to the
21 electric vehicle charging system.

22 (d) If the landlord consents to a tenant's installation of
23 an electric vehicle charging system on property accessible to
24 other tenants, including a parking space, carport, or garage
25 stall, then, unless otherwise specified in a written agreement
26 with the landlord:

1 (1) The tenant, and each successive tenant with
2 exclusive rights to the area where the electric vehicle
3 charging system is installed, is responsible for costs for
4 damages to the electric vehicle charging system and to any
5 other property of the landlord or another tenant resulting
6 from the installation, maintenance, repair, removal, or
7 replacement of the electric vehicle charging system.

8 (i) Costs under this paragraph shall be based on:

9 (A) an inexpensive submetering device; or

10 (B) a reasonable calculation of cost, based on
11 the average miles driven, efficiency of the
12 electric vehicle calculated by the United States
13 Environmental Protection Agency, and the cost of
14 electricity for the common area.

15 (ii) The purpose of the costs under this paragraph
16 is for reasonable reimbursement of electricity usage
17 and shall not be set to deliberately exceed that
18 reasonable reimbursement.

19 (2) Each successive tenant with exclusive rights to
20 the area where the electric vehicle charging system is
21 installed shall assume responsibility for the repair,
22 maintenance, removal, and replacement of the electric
23 vehicle charging system until the electric vehicle
24 charging system is removed.

25 (3) The tenant, and each successive tenant with
26 exclusive rights to the area where the electric vehicle

1 charging system is installed, shall, at all times, have
2 and maintain an insurance policy covering the obligations
3 of the tenant under this subsection and shall name the
4 landlord as an additional insured party under the policy.

5 (4) The tenant, and each successive tenant with
6 exclusive rights to the area where the electric vehicle
7 charging system is installed, is responsible for removing
8 the system if reasonably necessary or convenient for the
9 repair, maintenance, or replacement of any property of the
10 landlord, whether or not leased to another tenant.

11 (e) An electric vehicle charging system installed at the
12 tenant's cost is the property of the tenant. Upon termination
13 of the lease, if the electric vehicle charging system is
14 removable, the tenant may either remove it or sell it to the
15 landlord or another tenant for an agreed price. Nothing in
16 this subsection requires the landlord or another tenant to
17 purchase the electric vehicle charging system.

18 (f) A landlord that willfully violates this Section shall
19 be liable to the tenant for actual damages, and shall pay a
20 civil penalty to the tenant in an amount not to exceed \$1,000.

21 (g) In any action by a tenant requesting to have an
22 electric vehicle charging system installed and seeking to
23 enforce compliance with this Section, the court shall award
24 reasonable attorney's fees to a prevailing plaintiff.

1 Section 30-10. The Illinois Governmental Ethics Act is
2 amended by changing Sections 4A-102 and 4A-103 and by adding
3 Section 1-121.5 as follows:

4 (5 ILCS 420/1-121.5 new)

5 Sec. 1-121.5. "Public utility" has the meaning provided in
6 Section 3-105 of the Public Utilities Act.

7 (5 ILCS 420/4A-102) (from Ch. 127, par. 604A-102)

8 Sec. 4A-102. The statement of economic interests required
9 by this Article shall include the economic interests of the
10 person making the statement as provided in this Section. The
11 interest (if constructively controlled by the person making
12 the statement) of a spouse or any other party, shall be
13 considered to be the same as the interest of the person making
14 the statement. Campaign receipts shall not be included in this
15 statement.

16 (a) The following interests shall be listed by all
17 persons required to file:

18 (1) The name, address and type of practice of any
19 professional organization or individual professional
20 practice in which the person making the statement was
21 an officer, director, associate, partner or
22 proprietor, or served in any advisory capacity, from
23 which income in excess of \$1200 was derived during the

1 preceding calendar year;

2 (2) The nature of professional services (other
3 than services rendered to the unit or units of
4 government in relation to which the person is required
5 to file) and the nature of the entity to which they
6 were rendered if fees exceeding \$5,000 were received
7 during the preceding calendar year from the entity for
8 professional services rendered by the person making
9 the statement.

10 (3) The identity (including the address or legal
11 description of real estate) of any capital asset from
12 which a capital gain of \$5,000 or more was realized in
13 the preceding calendar year.

14 (4) The name of any unit of government which has
15 employed the person making the statement during the
16 preceding calendar year other than the unit or units
17 of government in relation to which the person is
18 required to file.

19 (5) The name of any entity from which a gift or
20 gifts, or honorarium or honoraria, valued singly or in
21 the aggregate in excess of \$500, was received during
22 the preceding calendar year.

23 (b) The following interests shall also be listed by
24 persons listed in items (a) through (f), item (l), item
25 (n), and item (p) of Section 4A-101:

26 (1) The name and instrument of ownership in any

1 entity doing business in the State of Illinois, in
2 which an ownership interest held by the person at the
3 date of filing is in excess of \$5,000 fair market value
4 or from which dividends of in excess of \$1,200 were
5 derived during the preceding calendar year. (In the
6 case of real estate, location thereof shall be listed
7 by street address, or if none, then by legal
8 description). No time or demand deposit in a financial
9 institution, nor any debt instrument need be listed;

10 (2) Except for professional service entities, the
11 name of any entity and any position held therein from
12 which income of in excess of \$1,200 was derived during
13 the preceding calendar year, if the entity does
14 business in the State of Illinois. No time or demand
15 deposit in a financial institution, nor any debt
16 instrument need be listed.

17 (3) The identity of any compensated lobbyist with
18 whom the person making the statement maintains a close
19 economic association, including the name of the
20 lobbyist and specifying the legislative matter or
21 matters which are the object of the lobbying activity,
22 and describing the general type of economic activity
23 of the client or principal on whose behalf that person
24 is lobbying.

25 (c) The following interests shall also be listed by
26 persons listed in items (a) through (c) and item (e) of

1 Section 4A-101.5:

2 (1) The name and instrument of ownership in any
3 entity doing business with a unit of local government
4 in relation to which the person is required to file if
5 the ownership interest of the person filing is greater
6 than \$5,000 fair market value as of the date of filing
7 or if dividends in excess of \$1,200 were received from
8 the entity during the preceding calendar year. (In the
9 case of real estate, location thereof shall be listed
10 by street address, or if none, then by legal
11 description). No time or demand deposit in a financial
12 institution, nor any debt instrument need be listed.

13 (2) Except for professional service entities, the
14 name of any entity and any position held therein from
15 which income in excess of \$1,200 was derived during
16 the preceding calendar year if the entity does
17 business with a unit of local government in relation
18 to which the person is required to file. No time or
19 demand deposit in a financial institution, nor any
20 debt instrument need be listed.

21 (3) The name of any entity and the nature of the
22 governmental action requested by any entity which has
23 applied to a unit of local government in relation to
24 which the person must file for any license, franchise
25 or permit for annexation, zoning or rezoning of real
26 estate during the preceding calendar year if the

1 ownership interest of the person filing is in excess
2 of \$5,000 fair market value at the time of filing or if
3 income or dividends in excess of \$1,200 were received
4 by the person filing from the entity during the
5 preceding calendar year.

6 (d) The following interest shall also be listed by
7 persons listed in items (a) through (f) of Section 4A-101:
8 the name of any spouse or immediate family member living
9 with such person employed by a public utility in this
10 State and the name of the public utility that employs such
11 person.

12 For the purposes of this Section, the unit of local
13 government in relation to which a person is required to file
14 under item (e) of Section 4A-101.5 shall be the unit of local
15 government that contributes to the pension fund of which such
16 person is a member of the board.

17 (Source: P.A. 101-221, eff. 8-9-19.)

18 (5 ILCS 420/4A-103) (from Ch. 127, par. 604A-103)

19 Sec. 4A-103. The statement of economic interests required
20 by this Article to be filed with the Secretary of State shall
21 be filled in by typewriting or hand printing, shall be
22 verified, dated, and signed by the person making the statement
23 and shall contain substantially the following:

24 STATEMENT OF ECONOMIC INTEREST

25 (TYPE OR HAND PRINT)

1
2

(name)

3
4

(each office or position of employment for which this
statement is filed)

6
7

(full mailing address)

8 GENERAL DIRECTIONS:

9 The interest (if constructively controlled by the person
10 making the statement) of a spouse or any other party, shall be
11 considered to be the same as the interest of the person making
12 the statement.

13 Campaign receipts shall not be included in this statement.

14 If additional space is needed, please attach supplemental
15 listing.

16 1. List the name and instrument of ownership in any entity
17 doing business in the State of Illinois, in which the
18 ownership interest held by the person at the date of filing is
19 in excess of \$5,000 fair market value or from which dividends
20 in excess of \$1,200 were derived during the preceding calendar
21 year. (In the case of real estate, location thereof shall be
22 listed by street address, or if none, then by legal
23 description.) No time or demand deposit in a financial
24 institution, nor any debt instrument need be listed.

25 Business Entity

Instrument of Ownership

26
.....

1
 2
 3

4 2. List the name, address and type of practice of any
 5 professional organization in which the person making the
 6 statement was an officer, director, associate, partner or
 7 proprietor or served in any advisory capacity, from which
 8 income in excess of \$1,200 was derived during the preceding
 9 calendar year.

10 Name	Address	Type of Practice
11
12
13

14 3. List the nature of professional services rendered
 15 (other than to the State of Illinois) to each entity from which
 16 income exceeding \$5,000 was received for professional services
 17 rendered during the preceding calendar year by the person
 18 making the statement.

19
 20

21 4. List the identity (including the address or legal
 22 description of real estate) of any capital asset from which a
 23 capital gain of \$5,000 or more was realized during the
 24 preceding calendar year.

25
 26

1 5. List the identity of any compensated lobbyist with whom
 2 the person making the statement maintains a close economic
 3 association, including the name of the lobbyist and specifying
 4 the legislative matter or matters which are the object of the
 5 lobbying activity, and describing the general type of economic
 6 activity of the client or principal on whose behalf that
 7 person is lobbying.

8 Lobbyist	Legislative Matter	Client or Principal
9
10

11 6. List the name of any entity doing business in the State
 12 of Illinois from which income in excess of \$1,200 was derived
 13 during the preceding calendar year other than for professional
 14 services and the title or description of any position held in
 15 that entity. (In the case of real estate, location thereof
 16 shall be listed by street address, or if none, then by legal
 17 description). No time or demand deposit in a financial
 18 institution nor any debt instrument need be listed.

19 Entity	Position Held
20
21
22

23 7. List the name of any unit of government which employed
 24 the person making the statement during the preceding calendar
 25 year other than the unit or units of government in relation to
 26 which the person is required to file.

1

2

3 8. List the name of any entity from which a gift or gifts,
4 or honorarium or honoraria, valued singly or in the aggregate
5 in excess of \$500, was received during the preceding calendar
6 year.

7

8 9. List the name of any spouse or immediate family member
9 living with the person making this statement employed by a
10 public utility in this State and the name of the public utility
11 that employs the relative.

<u>Name and relation</u>	<u>Public Utility</u>
.....
.....
.....

16 VERIFICATION:

17 "I declare that this statement of economic interests
18 (including any accompanying schedules and statements) has been
19 examined by me and to the best of my knowledge and belief is a
20 true, correct and complete statement of my economic interests
21 as required by the Illinois Governmental Ethics Act. I
22 understand that the penalty for willfully filing a false or
23 incomplete statement shall be a fine not to exceed \$1,000 or
24 imprisonment in a penal institution other than the
25 penitentiary not to exceed one year, or both fine and
26 imprisonment."

1
 2 (date of filing) (signature of person making the statement)
 3 (Source: P.A. 95-173, eff. 1-1-08.)

4 Section 30-15. The Illinois Enterprise Zone Act is amended
 5 by changing Section 5.5 as follows:

6 (20 ILCS 655/5.5) (from Ch. 67 1/2, par. 609.1)

7 Sec. 5.5. High Impact Business.

8 (a) In order to respond to unique opportunities to assist
 9 in the encouragement, development, growth, and expansion of
 10 the private sector through large scale investment and
 11 development projects, the Department is authorized to receive
 12 and approve applications for the designation of "High Impact
 13 Businesses" in Illinois subject to the following conditions:

14 (1) such applications may be submitted at any time
 15 during the year;

16 (2) such business is not located, at the time of
 17 designation, in an enterprise zone designated pursuant to
 18 this Act;

19 (3) the business intends to do one or more of the
 20 following:

21 (A) the business intends to make a minimum
 22 investment of \$12,000,000 which will be placed in
 23 service in qualified property and intends to create
 24 500 full-time equivalent jobs at a designated location

1 in Illinois or intends to make a minimum investment of
2 \$30,000,000 which will be placed in service in
3 qualified property and intends to retain 1,500
4 full-time retained jobs at a designated location in
5 Illinois. The business must certify in writing that
6 the investments would not be placed in service in
7 qualified property and the job creation or job
8 retention would not occur without the tax credits and
9 exemptions set forth in subsection (b) of this
10 Section. The terms "placed in service" and "qualified
11 property" have the same meanings as described in
12 subsection (h) of Section 201 of the Illinois Income
13 Tax Act; or

14 (B) the business intends to establish a new
15 electric generating facility at a designated location
16 in Illinois. "New electric generating facility", for
17 purposes of this Section, means a newly-constructed
18 electric generation plant or a newly-constructed
19 generation capacity expansion at an existing electric
20 generation plant, including the transmission lines and
21 associated equipment that transfers electricity from
22 points of supply to points of delivery, and for which
23 such new foundation construction commenced not sooner
24 than July 1, 2001. Such facility shall be designed to
25 provide baseload electric generation and shall operate
26 on a continuous basis throughout the year; and (i)

1 shall have an aggregate rated generating capacity of
2 at least 1,000 megawatts for all new units at one site
3 if it uses natural gas as its primary fuel and
4 foundation construction of the facility is commenced
5 on or before December 31, 2004, or shall have an
6 aggregate rated generating capacity of at least 400
7 megawatts for all new units at one site if it uses coal
8 or gases derived from coal as its primary fuel and
9 shall support the creation of at least 150 new
10 Illinois coal mining jobs, or (ii) shall be funded
11 through a federal Department of Energy grant before
12 December 31, 2010 and shall support the creation of
13 Illinois coal-mining jobs, or (iii) shall use coal
14 gasification or integrated gasification-combined cycle
15 units that generate electricity or chemicals, or both,
16 and shall support the creation of Illinois coal-mining
17 jobs. The business must certify in writing that the
18 investments necessary to establish a new electric
19 generating facility would not be placed in service and
20 the job creation in the case of a coal-fueled plant
21 would not occur without the tax credits and exemptions
22 set forth in subsection (b-5) of this Section. The
23 term "placed in service" has the same meaning as
24 described in subsection (h) of Section 201 of the
25 Illinois Income Tax Act; or

26 (B-5) the business intends to establish a new

1 gasification facility at a designated location in
2 Illinois. As used in this Section, "new gasification
3 facility" means a newly constructed coal gasification
4 facility that generates chemical feedstocks or
5 transportation fuels derived from coal (which may
6 include, but are not limited to, methane, methanol,
7 and nitrogen fertilizer), that supports the creation
8 or retention of Illinois coal-mining jobs, and that
9 qualifies for financial assistance from the Department
10 before December 31, 2010. A new gasification facility
11 does not include a pilot project located within
12 Jefferson County or within a county adjacent to
13 Jefferson County for synthetic natural gas from coal;
14 or

15 (C) the business intends to establish production
16 operations at a new coal mine, re-establish production
17 operations at a closed coal mine, or expand production
18 at an existing coal mine at a designated location in
19 Illinois not sooner than July 1, 2001; provided that
20 the production operations result in the creation of
21 150 new Illinois coal mining jobs as described in
22 subdivision (a)(3)(B) of this Section, and further
23 provided that the coal extracted from such mine is
24 utilized as the predominant source for a new electric
25 generating facility. The business must certify in
26 writing that the investments necessary to establish a

1 new, expanded, or reopened coal mine would not be
2 placed in service and the job creation would not occur
3 without the tax credits and exemptions set forth in
4 subsection (b-5) of this Section. The term "placed in
5 service" has the same meaning as described in
6 subsection (h) of Section 201 of the Illinois Income
7 Tax Act; or

8 (D) the business intends to construct new
9 transmission facilities or upgrade existing
10 transmission facilities at designated locations in
11 Illinois, for which construction commenced not sooner
12 than July 1, 2001. For the purposes of this Section,
13 "transmission facilities" means transmission lines
14 with a voltage rating of 115 kilovolts or above,
15 including associated equipment, that transfer
16 electricity from points of supply to points of
17 delivery and that transmit a majority of the
18 electricity generated by a new electric generating
19 facility designated as a High Impact Business in
20 accordance with this Section. The business must
21 certify in writing that the investments necessary to
22 construct new transmission facilities or upgrade
23 existing transmission facilities would not be placed
24 in service without the tax credits and exemptions set
25 forth in subsection (b-5) of this Section. The term
26 "placed in service" has the same meaning as described

1 in subsection (h) of Section 201 of the Illinois
2 Income Tax Act; or

3 (E) the business intends to establish a new wind
4 power facility at a designated location in Illinois.
5 For purposes of this Section, "new wind power
6 facility" means a newly constructed electric
7 generation facility, or a newly constructed expansion
8 of an existing electric generation facility, placed in
9 service on or after July 1, 2009, that generates
10 electricity using wind energy devices, and such
11 facility shall be deemed to include all associated
12 transmission lines, substations, and other equipment
13 related to the generation of electricity from wind
14 energy devices. For purposes of this Section, "wind
15 energy device" means any device, with a nameplate
16 capacity of at least 0.5 megawatts, that is used in the
17 process of converting kinetic energy from the wind to
18 generate electricity; or

19 (E-5) the business intends to establish a new
20 utility scale solar or photovoltaic community
21 renewable energy generation facility at a designated
22 location in Illinois. For purposes of this Section,
23 "new utility scale solar power facility" has the same
24 meaning as "utility-scale solar" in the Illinois Power
25 Agency Act and was put into service on or after July 1,
26 2021, and such facility shall be deemed to include all

1 associated transmission lines, substations, and other
2 equipment related to the generation of electricity
3 from photovoltaic cells. For the purposes of this
4 Section "community renewable energy generation
5 facility" has the same meaning as "community renewable
6 generation facility" in the Illinois Power Agency Act
7 and was placed in service on or after July 1, 2021,
8 that generates electricity using photovoltaic cells;
9 or

10 (F) the business commits to (i) make a minimum
11 investment of \$500,000,000, which will be placed in
12 service in a qualified property, (ii) create 125
13 full-time equivalent jobs at a designated location in
14 Illinois, (iii) establish a fertilizer plant at a
15 designated location in Illinois that complies with the
16 set-back standards as described in Table 1: Initial
17 Isolation and Protective Action Distances in the 2012
18 Emergency Response Guidebook published by the United
19 States Department of Transportation, (iv) pay a
20 prevailing wage for employees at that location who are
21 engaged in construction activities, and (v) secure an
22 appropriate level of general liability insurance to
23 protect against catastrophic failure of the fertilizer
24 plant or any of its constituent systems; in addition,
25 the business must agree to enter into a construction
26 project labor agreement including provisions

1 establishing wages, benefits, and other compensation
2 for employees performing work under the project labor
3 agreement at that location; for the purposes of this
4 Section, "fertilizer plant" means a newly constructed
5 or upgraded plant utilizing gas used in the production
6 of anhydrous ammonia and downstream nitrogen
7 fertilizer products for resale; for the purposes of
8 this Section, "prevailing wage" means the hourly cash
9 wages plus fringe benefits for training and
10 apprenticeship programs approved by the U.S.
11 Department of Labor, Bureau of Apprenticeship and
12 Training, health and welfare, insurance, vacations and
13 pensions paid generally, in the locality in which the
14 work is being performed, to employees engaged in work
15 of a similar character on public works; this paragraph
16 (F) applies only to businesses that submit an
17 application to the Department within 60 days after
18 July 25, 2013 (the effective date of Public Act
19 98-109) ~~this amendatory Act of the 98th General~~
20 ~~Assembly~~; and

21 (4) no later than 90 days after an application is
22 submitted, the Department shall notify the applicant of
23 the Department's determination of the qualification of the
24 proposed High Impact Business under this Section.

25 (b) Businesses designated as High Impact Businesses
26 pursuant to subdivision (a)(3)(A) of this Section shall

1 qualify for the credits and exemptions described in the
2 following Acts: Section 9-222 and Section 9-222.1A of the
3 Public Utilities Act, subsection (h) of Section 201 of the
4 Illinois Income Tax Act, and Section 1d of the Retailers'
5 Occupation Tax Act; provided that these credits and exemptions
6 described in these Acts shall not be authorized until the
7 minimum investments set forth in subdivision (a)(3)(A) of this
8 Section have been placed in service in qualified properties
9 and, in the case of the exemptions described in the Public
10 Utilities Act and Section 1d of the Retailers' Occupation Tax
11 Act, the minimum full-time equivalent jobs or full-time
12 retained jobs set forth in subdivision (a)(3)(A) of this
13 Section have been created or retained. Businesses designated
14 as High Impact Businesses under this Section shall also
15 qualify for the exemption described in Section 51 of the
16 Retailers' Occupation Tax Act. The credit provided in
17 subsection (h) of Section 201 of the Illinois Income Tax Act
18 shall be applicable to investments in qualified property as
19 set forth in subdivision (a)(3)(A) of this Section.

20 (b-5) Businesses designated as High Impact Businesses
21 pursuant to subdivisions (a)(3)(B), (a)(3)(B-5), (a)(3)(C),
22 and (a)(3)(D) of this Section shall qualify for the credits
23 and exemptions described in the following Acts: Section 51 of
24 the Retailers' Occupation Tax Act, Section 9-222 and Section
25 9-222.1A of the Public Utilities Act, and subsection (h) of
26 Section 201 of the Illinois Income Tax Act; however, the

1 credits and exemptions authorized under Section 9-222 and
2 Section 9-222.1A of the Public Utilities Act, and subsection
3 (h) of Section 201 of the Illinois Income Tax Act shall not be
4 authorized until the new electric generating facility, the new
5 gasification facility, the new transmission facility, or the
6 new, expanded, or reopened coal mine is operational, except
7 that a new electric generating facility whose primary fuel
8 source is natural gas is eligible only for the exemption under
9 Section 51 of the Retailers' Occupation Tax Act.

10 (b-6) Businesses designated as High Impact Businesses
11 pursuant to subdivision (a)(3)(E) of this Section shall
12 qualify for the exemptions described in Section 51 of the
13 Retailers' Occupation Tax Act; any business so designated as a
14 High Impact Business being, for purposes of this Section, a
15 "Wind Energy Business".

16 (b-7) Beginning on January 1, 2021, businesses designated
17 as High Impact Businesses by the Department shall qualify for
18 the High Impact Business construction jobs credit under
19 subsection (h-5) of Section 201 of the Illinois Income Tax Act
20 if the business meets the criteria set forth in subsection (i)
21 of this Section. The total aggregate amount of credits awarded
22 under the Blue Collar Jobs Act (Article 20 of Public Act 101-9
23 ~~this amendatory Act of the 101st General Assembly~~) shall not
24 exceed \$20,000,000 in any State fiscal year.

25 (c) High Impact Businesses located in federally designated
26 foreign trade zones or sub-zones are also eligible for

1 additional credits, exemptions and deductions as described in
2 the following Acts: Section 9-221 and Section 9-222.1 of the
3 Public Utilities Act; and subsection (g) of Section 201, and
4 Section 203 of the Illinois Income Tax Act.

5 (d) Except for businesses contemplated under subdivision
6 (a) (3) (E) of this Section, existing Illinois businesses which
7 apply for designation as a High Impact Business must provide
8 the Department with the prospective plan for which 1,500
9 full-time retained jobs would be eliminated in the event that
10 the business is not designated.

11 (e) Except for new wind power facilities contemplated
12 under subdivision (a) (3) (E) of this Section, new proposed
13 facilities which apply for designation as High Impact Business
14 must provide the Department with proof of alternative
15 non-Illinois sites which would receive the proposed investment
16 and job creation in the event that the business is not
17 designated as a High Impact Business.

18 (f) Except for businesses contemplated under subdivision
19 (a) (3) (E) of this Section, in the event that a business is
20 designated a High Impact Business and it is later determined
21 after reasonable notice and an opportunity for a hearing as
22 provided under the Illinois Administrative Procedure Act, that
23 the business would have placed in service in qualified
24 property the investments and created or retained the requisite
25 number of jobs without the benefits of the High Impact
26 Business designation, the Department shall be required to

1 immediately revoke the designation and notify the Director of
2 the Department of Revenue who shall begin proceedings to
3 recover all wrongfully exempted State taxes with interest. The
4 business shall also be ineligible for all State funded
5 Department programs for a period of 10 years.

6 (g) The Department shall revoke a High Impact Business
7 designation if the participating business fails to comply with
8 the terms and conditions of the designation. However, the
9 penalties for new wind power facilities or Wind Energy
10 Businesses, new utility scale solar power facilities, or new
11 photovoltaic community renewable generation facilities for
12 failure to comply with any of the terms or conditions of the
13 Illinois Prevailing Wage Act shall be only those penalties
14 identified in the Illinois Prevailing Wage Act, and the
15 Department shall not revoke a High Impact Business designation
16 as a result of the failure to comply with any of the terms or
17 conditions of the Illinois Prevailing Wage Act in relation to
18 a new wind power facility or a Wind Energy Business, new
19 utility scale solar power facility, or new photovoltaic
20 community renewable generation facility.

21 (h) Prior to designating a business, the Department shall
22 provide the members of the General Assembly and Commission on
23 Government Forecasting and Accountability with a report
24 setting forth the terms and conditions of the designation and
25 guarantees that have been received by the Department in
26 relation to the proposed business being designated.

1 (i) High Impact Business construction jobs credit.
2 Beginning on January 1, 2021, a High Impact Business may
3 receive a tax credit against the tax imposed under subsections
4 (a) and (b) of Section 201 of the Illinois Income Tax Act in an
5 amount equal to 50% of the amount of the incremental income tax
6 attributable to High Impact Business construction jobs credit
7 employees employed in the course of completing a High Impact
8 Business construction jobs project. However, the High Impact
9 Business construction jobs credit may equal 75% of the amount
10 of the incremental income tax attributable to High Impact
11 Business construction jobs credit employees if the High Impact
12 Business construction jobs credit project is located in an
13 underserved area.

14 The Department shall certify to the Department of Revenue:
15 (1) the identity of taxpayers that are eligible for the High
16 Impact Business construction jobs credit; and (2) the amount
17 of High Impact Business construction jobs credits that are
18 claimed pursuant to subsection (h-5) of Section 201 of the
19 Illinois Income Tax Act in each taxable year. Any business
20 entity that receives a High Impact Business construction jobs
21 credit shall maintain a certified payroll pursuant to
22 subsection (j) of this Section.

23 As used in this subsection (i):

24 "High Impact Business construction jobs credit" means an
25 amount equal to 50% (or 75% if the High Impact Business
26 construction project is located in an underserved area) of the

1 incremental income tax attributable to High Impact Business
2 construction job employees. The total aggregate amount of
3 credits awarded under the Blue Collar Jobs Act (Article 20 of
4 Public Act 101-9 ~~this amendatory Act of the 101st General~~
5 ~~Assembly~~) shall not exceed \$20,000,000 in any State fiscal
6 year

7 "High Impact Business construction job employee" means a
8 laborer or worker who is employed by an Illinois contractor or
9 subcontractor in the actual construction work on the site of a
10 High Impact Business construction job project.

11 "High Impact Business construction jobs project" means
12 building a structure or building or making improvements of any
13 kind to real property, undertaken and commissioned by a
14 business that was designated as a High Impact Business by the
15 Department. The term "High Impact Business construction jobs
16 project" does not include the routine operation, routine
17 repair, or routine maintenance of existing structures,
18 buildings, or real property.

19 "Incremental income tax" means the total amount withheld
20 during the taxable year from the compensation of High Impact
21 Business construction job employees.

22 "Underserved area" means a geographic area that meets one
23 or more of the following conditions:

24 (1) the area has a poverty rate of at least 20%
25 according to the latest federal decennial census;

26 (2) 75% or more of the children in the area

1 participate in the federal free lunch program according to
2 reported statistics from the State Board of Education;

3 (3) at least 20% of the households in the area receive
4 assistance under the Supplemental Nutrition Assistance
5 Program (SNAP); or

6 (4) the area has an average unemployment rate, as
7 determined by the Illinois Department of Employment
8 Security, that is more than 120% of the national
9 unemployment average, as determined by the U.S. Department
10 of Labor, for a period of at least 2 consecutive calendar
11 years preceding the date of the application.

12 (j) Each contractor and subcontractor who is engaged in
13 and executing a High Impact Business Construction jobs
14 project, as defined under subsection (i) of this Section, for
15 a business that is entitled to a credit pursuant to subsection
16 (i) of this Section shall:

17 (1) make and keep, for a period of 5 years from the
18 date of the last payment made on or after June 5, 2019 (the
19 effective date of Public Act 101-9) ~~this amendatory Act of~~
20 ~~the 101st General Assembly~~ on a contract or subcontract
21 for a High Impact Business Construction Jobs Project,
22 records for all laborers and other workers employed by the
23 contractor or subcontractor on the project; the records
24 shall include:

25 (A) the worker's name;

26 (B) the worker's address;

1 (C) the worker's telephone number, if available;
2 (D) the worker's social security number;
3 (E) the worker's classification or
4 classifications;
5 (F) the worker's gross and net wages paid in each
6 pay period;
7 (G) the worker's number of hours worked each day;
8 (H) the worker's starting and ending times of work
9 each day;
10 (I) the worker's hourly wage rate; and
11 (J) the worker's hourly overtime wage rate;
12 (2) no later than the 15th day of each calendar month,
13 provide a certified payroll for the immediately preceding
14 month to the taxpayer in charge of the High Impact
15 Business construction jobs project; within 5 business days
16 after receiving the certified payroll, the taxpayer shall
17 file the certified payroll with the Department of Labor
18 and the Department of Commerce and Economic Opportunity; a
19 certified payroll must be filed for only those calendar
20 months during which construction on a High Impact Business
21 construction jobs project has occurred; the certified
22 payroll shall consist of a complete copy of the records
23 identified in paragraph (1) of this subsection (j), but
24 may exclude the starting and ending times of work each
25 day; the certified payroll shall be accompanied by a
26 statement signed by the contractor or subcontractor or an

1 officer, employee, or agent of the contractor or
2 subcontractor which avers that:

3 (A) he or she has examined the certified payroll
4 records required to be submitted by the Act and such
5 records are true and accurate; and

6 (B) the contractor or subcontractor is aware that
7 filing a certified payroll that he or she knows to be
8 false is a Class A misdemeanor.

9 A general contractor is not prohibited from relying on a
10 certified payroll of a lower-tier subcontractor, provided the
11 general contractor does not knowingly rely upon a
12 subcontractor's false certification.

13 Any contractor or subcontractor subject to this
14 subsection, and any officer, employee, or agent of such
15 contractor or subcontractor whose duty as an officer,
16 employee, or agent it is to file a certified payroll under this
17 subsection, who willfully fails to file such a certified
18 payroll on or before the date such certified payroll is
19 required by this paragraph to be filed and any person who
20 willfully files a false certified payroll that is false as to
21 any material fact is in violation of this Act and guilty of a
22 Class A misdemeanor.

23 The taxpayer in charge of the project shall keep the
24 records submitted in accordance with this subsection on or
25 after June 5, 2019 (the effective date of Public Act 101-9)
26 ~~this amendatory Act of the 101st General Assembly~~ for a period

1 of 5 years from the date of the last payment for work on a
2 contract or subcontract for the High Impact Business
3 construction jobs project.

4 The records submitted in accordance with this subsection
5 shall be considered public records, except an employee's
6 address, telephone number, and social security number, and
7 made available in accordance with the Freedom of Information
8 Act. The Department of Labor shall accept any reasonable
9 submissions by the contractor that meet the requirements of
10 this subsection (j) and shall share the information with the
11 Department in order to comply with the awarding of a High
12 Impact Business construction jobs credit. A contractor,
13 subcontractor, or public body may retain records required
14 under this Section in paper or electronic format.

15 (k) Upon 7 business days' notice, each contractor and
16 subcontractor shall make available for inspection and copying
17 at a location within this State during reasonable hours, the
18 records identified in this subsection (j) to the taxpayer in
19 charge of the High Impact Business construction jobs project,
20 its officers and agents, the Director of the Department of
21 Labor and his or her deputies and agents, and to federal,
22 State, or local law enforcement agencies and prosecutors.

23 (Source: P.A. 101-9, eff. 6-5-19; revised 7-12-19.)

24 Section 30-18. The Electric Vehicle Act is amended by
25 changing Sections 5, 10, 15, and 20 and by adding Sections 30,

1 35, 40, 45, and 50 as follows:

2 (20 ILCS 627/5)

3 Sec. 5. Findings. The General Assembly finds:

4 (1) Illinois should increase the adoption of electric
5 vehicles in the State to 1,000,000 by 2030.

6 (2) Illinois should strive to be the best state in the
7 nation in which to drive and manufacture an electric vehicle.

8 (3) Widespread adoption of electric vehicles is necessary
9 to electrify the transportation sector, diversify the
10 transportation fuel mix, drive economic development, and
11 protect air quality.

12 (4) Accelerating the adoption of electric vehicles will
13 drive the decarbonization of Illinois' transportation sector.

14 (5) Expanded infrastructure investment will help Illinois
15 more rapidly decarbonize the transportation sector.

16 (6) Statewide adoption of electric vehicles requires
17 increasing access to electrification for all consumers.

18 (7) Private investments in charging equipment and electric
19 utility investments can assist the growth of electric vehicles
20 and help increase access to electricity for electric vehicle
21 charging.

22 (8) Widespread adoption of electric vehicles requires
23 increasing public access to charging equipment throughout
24 Illinois, especially in low-income, moderate-income,
25 environmental justice, and equity investment eligible

1 communities, where levels of air pollution burden tend to be
2 higher.

3 (9) Widespread adoption of electric vehicles and charging
4 equipment has the potential to provide customers with fuel
5 cost savings and electric utility customers with cost-saving
6 benefits.

7 (10) Widespread adoption of electric vehicles can help
8 Illinois stimulate innovation, create jobs, increase
9 competition, and expand private investments in charging
10 equipment and networks.

11 (11) Widespread adoption of electric vehicles can improve
12 an electric utility's electric system efficiency and
13 operational flexibility, including the ability of the electric
14 utility to integrate renewable energy resources and make use
15 of off-peak generation resources that support the operation of
16 charging equipment. ~~that the adoption and use of electric~~
17 ~~vehicles would benefit the State of Illinois by (i) improving~~
18 ~~the health and environmental quality of the residents of~~
19 ~~Illinois through reduced pollution, (ii) reducing the~~
20 ~~operating costs of vehicle transportation, and (iii) shifting~~
21 ~~the demand for imported petroleum to locally produced~~
22 ~~electricity.~~

23 (Source: P.A. 97-89, eff. 7-11-11.)

24 (20 ILCS 627/10)

25 Sec. 10. Definitions.

1 "Agency" means the Illinois Environmental Protection
2 Agency.

3 "Commission" means the Illinois Commerce Commission.

4 "Coordinator" means the Electric Vehicle Coordinator
5 created in Section 15.

6 "Council" means the Electric Vehicle Advisory Council
7 created in Section 20.

8 "Electric vehicle" means (i) a vehicle that is exclusively
9 powered by and refueled by electricity (ii) is licensed to
10 drive on public roadways. "Electric vehicle" does not include
11 (A) electric motorcycles, or (B) hybrid electric vehicles and
12 extended-range electric vehicles that are also equipped with
13 conventional fueled propulsion or auxiliary engines.
14 ~~battery-powered electric vehicle operated solely by~~
15 ~~electricity or (ii) a plug-in hybrid electric vehicle that~~
16 ~~operates on electricity and gasoline and has a battery that~~
17 ~~can be recharged from an external source.~~

18 "Electric vehicle charging station" means a station that
19 delivers electricity from a source outside an electric vehicle
20 into one or more electric vehicles.

21 "Equity investment eligible community" or "eligible
22 community" mean people living in geographic areas throughout
23 Illinois who will most benefit from equitable investments by
24 the State that are designed to combat historic inequities and
25 the effects of discrimination. "Eligible community" includes
26 census tracts that meet the following characteristics:

1 (1) At least 15% of the population or at least 20% of
2 the population 18 or under fall below the federal poverty
3 level; and

4 (2) falls in the top 25th percentile in the State on
5 measured levels for one or more of the following
6 environmental indicators from the United States
7 Environmental Protection Agency's EJSCREEN screening tool:

8 (A) Diesel particulate matter level in air.

9 (B) Air toxics cancer risk.

10 (C) Air toxics respiratory hazard index.

11 (D) Indicator for major direct dischargers to
12 water.

13 (E) Proximity to National Priorities List (NPL)
14 sites.

15 (F) Proximity to Risk Management Plan (RMP)
16 facilities.

17 (G) Proximity to Treatment and Storage and
18 Disposal (TSDF) facilities.

19 (H) Ozone level in air.

20 (I) PM2.5 (particulate matter with diameters that
21 are 2.5 micrometers and smaller) level in the air.

22 "Equity investment eligible persons" or "eligible persons"
23 means persons who would most benefit from equitable
24 investments by the State designed to combat discrimination,
25 specifically:

26 (1) persons whose primary residence is in an equity

1 investment eligible community;

2 (2) persons whose primary residence is in a
3 municipality or a county with a population under 100,000
4 where the closure of an electric generating unit or coal
5 mine has been publicly announced, or the electric
6 generating unit or coal mine is in the process of closing
7 or has closed within the last 5 years;

8 (3) persons who are graduates of or currently enrolled
9 in the foster care system; or

10 (4) persons who were formerly incarcerated.

11 "Make-ready infrastructure" means the electrical and
12 construction work necessary between the distribution circuit
13 to the connection point of charging equipment to facilitate
14 private investment in charging equipment.

15 (Source: P.A. 97-89, eff. 7-11-11.)

16 (20 ILCS 627/15)

17 Sec. 15. Electric Vehicle Coordinator. The Governor shall
18 appoint a person within the Illinois Environmental Protection
19 Agency ~~Department of Commerce and Economic Opportunity~~ to
20 serve as the Electric Vehicle Coordinator for the State of
21 Illinois. This person may be an existing employee with other
22 duties. The Coordinator shall act as a point person for
23 electric vehicle-related and electric vehicle charging-related
24 ~~electric vehicle-related~~ policies and activities in Illinois,
25 including but not limited to the issuance of electric vehicle

1 rebates for consumers and electric vehicle charging rebates
2 for organizations and companies.

3 (Source: P.A. 97-89, eff. 7-11-11.)

4 (20 ILCS 627/20)

5 Sec. 20. Electric vehicle advisory council.

6 (a) There is created the Illinois Electric Vehicle
7 Advisory Council. The Council shall investigate and recommend
8 strategies that the Governor and the General Assembly may
9 implement to promote the use of electric vehicles. Strategies
10 shall include, but are not limited to, methods of achieving
11 greater adoption of electric vehicles, rapidly expanding
12 statewide charging infrastructure, electrifying the State
13 fleet, and changing electric utility rates and tariffs related
14 to electric vehicle charging. , ~~including, but not limited to,~~
15 ~~potential infrastructure improvements, State and local~~
16 ~~regulatory streamlining, and changes to electric utility rates~~
17 ~~and tariffs.~~

18 (b) The Council shall include all of the following
19 members:

20 (1) The Electric Vehicle Coordinator to serve as
21 chairperson.

22 (2) Four members of the General Assembly, one
23 appointed by the Speaker of the House of Representatives,
24 one appointed by the Minority Leader of the House of
25 Representatives, one appointed by the President of the

1 Senate, and one appointed by the Minority Leader of the
2 Senate.

3 (3) The Director of Commerce and Economic Opportunity
4 or his or her designee.

5 (4) The Director of the Illinois Environmental
6 Protection Agency or his or her designee.

7 (5) The Executive Director of the Illinois Commerce
8 Commission or his or her designee.

9 (6) The Secretary of ~~the Illinois Department of~~
10 Transportation or his or her designee.

11 (7) The Director of Central Management Services or his
12 or her designee.

13 (8) The following ~~(7) Ten~~ at-large members appointed
14 by the Governor as follows:

15 (A) two representatives of statewide environmental
16 organizations;

17 (B) two representatives of national or regional
18 environmental organizations;

19 (C) two representatives of charging companies; ~~one~~
20 ~~representative of a nonprofit car sharing~~
21 ~~organization;~~

22 (D) two representatives of automobile
23 manufacturers;

24 (E) one representative of the City of Chicago; and

25 (F) two representatives of electric utilities.

26 (c) The Council shall report its findings to the Governor

1 and General Assembly by December 31, 2022 ~~2011~~.

2 (d) The Illinois Environmental Protection Agency
3 ~~Department of Commerce and Economic Opportunity~~ shall provide
4 administrative and other support to the Council.

5 (Source: P.A. 97-89, eff. 7-11-11.)

6 (20 ILCS 627/30 new)

7 Sec. 30. Commercial tariff; electric vehicle charging.
8 Within 90 days after the effective date of this amendatory Act
9 of the 102nd General Assembly, electric utilities serving
10 greater than 500,000 customers in the State shall file a
11 proposal with the Illinois Commerce Commission to establish a
12 commercial tariff utilizing alternatives to traditional
13 demand-based rate structures to facilitate charging for
14 light-duty, heavy-duty, and fleet electric vehicles and
15 charging that supports integration of renewable energy
16 resources.

17 (20 ILCS 627/35 new)

18 Sec. 35. Transportation Electrification Plans.

19 (a) An electric utility serving more than 500,000
20 customers as of January 1, 2009 shall prepare a Transportation
21 Electrification Plan that meets the requirements of this
22 section and shall file said plan with the Commission no later
23 than July 1, 2022. Within 45 days after the filing of the
24 Transportation Electrification Plan, the Commission shall,

1 with reasonable notice, open an investigation to consider
2 whether the plan meets the objectives and contains the
3 information required by this Section. The Commission shall
4 approve, approve with modifications, or reject the plan within
5 270 days from the date of filing. The Commission may approve
6 the plan if it finds that the plan will achieve the goals
7 described in this Section and contains the information
8 described in this Section. Proceedings under this Section
9 shall proceed according to the rules provided by Article IX of
10 the Public Utilities Act. Information contained in the
11 approved plan shall be considered part of the record in any
12 Commission proceeding under Section 16-107.6 of the Public
13 Utilities Act, provided that a final order has not been
14 entered prior to the initial filing date.

15 The Transportation Electrification Plan shall specifically
16 address, at minimum, the following information:

17 (1) Investments and incentives to facilitate the rapid
18 deployment of charging equipment throughout the State
19 through programs that support make-ready infrastructure
20 and align infrastructure investments with Agency-issued
21 rebates for charging equipment, in accordance with Section
22 50.

23 (2) Investments and incentives to facilitate the rapid
24 deployment of charging equipment in eligible communities
25 in order to provide those communities with greater
26 economic investment, transportation opportunities, and a

1 cleaner environment so they can directly benefit from
2 transportation electrification efforts.

3 (3) Investments and incentives to facilitate the
4 electrification of public transit and other vehicle fleets
5 in the light-duty, medium-duty, and heavy-duty sectors.

6 (4) Whether to establish standards for charging plugs,
7 and if so, what standards.

8 (5) Additional rate designs to support public and
9 private electric vehicle charging.

10 (6) Financial and other challenges to electric vehicle
11 usage in low-income communities and strategies for
12 overcoming those challenges, particularly for people for
13 whom car ownership or electric car ownership is not an
14 option.

15 (7) Customer education, outreach, and incentive
16 programs that increase awareness of the programs and the
17 benefits of transportation electrification, including
18 direct outreach to eligible communities.

19 (8) Plans to increase access to Level 3 charging
20 infrastructure located along transportation corridors to
21 serve vehicles that need quicker charging times and
22 vehicles of persons who have no other access to charging
23 infrastructure, regardless of whether those projects
24 participate in optimized charging programs.

25 (9) Methods of minimizing ratepayer impacts and
26 exempting or minimizing, to the extent possible,

1 low-income ratepayers from the costs associated with
2 facilitating the expansion of electric vehicle charging.

3 (10) Financial and other challenges to electric
4 vehicle usage in low-income communities and strategies for
5 overcoming those challenges.

6 (11) The development of optimized charging programs to
7 achieve savings identified, and new contracts and
8 compensation for services in those programs, through
9 signals that allow electric vehicle charging to respond to
10 local system conditions, manage critical peak periods,
11 serve as a demand response or peak resource, and maximize
12 renewable energy use and integration into the grid.

13 (12) Opportunities for coordination and alignment with
14 electric vehicle and electric vehicle charging equipment
15 incentives established by any agency, department, board,
16 or commission of the State of Illinois, any other unit of
17 government in the State, any national programs, or any
18 unit of the federal government.

19 (b) The Commission's investigation shall determine if each
20 proposed plan is in the public interest. When considering if
21 the plan is in the public interest and determining appropriate
22 levels of cost recovery for investments and expenditures
23 related to programs proposed by an electric utility, the
24 Commission shall consider whether the investments and other
25 expenditures are designed and reasonably expected to:

26 (1) increase access to charging equipment and

1 electricity as a transportation fuel throughout the State,
2 including in low-income, moderate-income, and eligible
3 communities;

4 (2) stimulate innovation, competition, private
5 investment, and increased consumer choices in electric
6 vehicle charging equipment and networks;

7 (3) contribute to meeting air quality standards,
8 including improving air quality in equity investment
9 eligible communities who disproportionately suffer from
10 emissions from the transportation sector, the
11 consideration of which shall include consultation with the
12 Agency;

13 (4) support the efficient and cost-effective use of
14 the electric grid in a manner that supports electric
15 vehicle charging operations; and

16 (5) provide resources to support private investment in
17 charging equipment for uses in public and private charging
18 applications, including residential, multi-family, fleet,
19 transit, community, and corridor applications.

20 (20 ILCS 627/40 new)

21 Sec. 40. Plan updates. The utility shall file an update to
22 the plan on July 1, 2024 and every three years thereafter. This
23 update shall describe transportation investments made during
24 the prior plan period, investments planned for the following
25 24 months, and updates to the information required by this

1 Section. Within 35 days after the utility files its report,
2 the Commission shall, upon its own initiative, open an
3 investigation regarding the utility's plan update to
4 investigate whether the objectives described in this Section
5 are being achieved. If the Commission finds, after notice and
6 hearing, that the utility's plan is materially deficient, the
7 Commission shall issue an order requiring the utility to
8 devise a corrective action plan, subject to Commission
9 approval, to bring the plan into compliance with the goals of
10 this Section. The Commission's order shall be entered within
11 270 days after the utility files its annual report.

12 The contents of a plan filed under this Section shall be
13 available for evidence in Commission proceedings. However,
14 omission from an approved plan shall not render any future
15 utility expenditure to be considered unreasonable or
16 imprudent. The Commission may, upon sufficient evidence, allow
17 expenditures that were not part of any particular distribution
18 plan.

19 (20 ILCS 627/45 new)

20 Sec. 45. Rulemaking; resources. The Agency shall adopt
21 rules as necessary and dedicate sufficient resources to
22 implement Sections 35 and 50.

23 (20 ILCS 627/50 new)

24 Sec. 50. Charging rebate program.

1 (a) In order to substantially offset the installation
2 costs of electric vehicle charging infrastructure, beginning
3 July 1, 2023, and continuing as long as funds are available,
4 the Agency shall issue rebates, consistent with the provisions
5 of this Act and Commission-approved Transportation
6 Electrification Plans in accordance with Section 35, to public
7 and private organizations and companies to install and
8 maintain Level 2 or Level 3 charging stations at any of the
9 following locations:

10 (1) Public parking facilities.

11 (2) Workplaces.

12 (3) Multifamily apartment buildings.

13 (4) Public roads and highways.

14 (5) Ridesharing and taxi charging depots.

15 (b) The Agency shall award rebates that fund up to 90% of
16 the cost of the charging station, up to \$4,000 for Level 2
17 chargers and up to \$5,000 for Level 3 chargers. The Agency
18 shall award an additional \$500 per port for every charging
19 station installed in an eligible community and every charging
20 station located to support eligible persons. In order to be
21 eligible to receive a rebate, the organization or company must
22 submit an application to the Agency. The Agency shall by rule
23 provide application requirements. The Agency shall accept
24 applications on a rolling basis and shall award rebates within
25 60 days of each application.

1 Section 30-20. The Energy Policy and Planning Act is
2 amended by changing Section 2 as follows:

3 (20 ILCS 1120/2) (from Ch. 96 1/2, par. 7802)

4 Sec. 2. (a) The General Assembly finds:

5 (1) that the reliable provision of adequate amounts of
6 energy in the forms required is of vital importance to the
7 public welfare and to the continued operation of business and
8 industry; and (2) that many problems relating to energy are
9 beyond the ability of the national government to solve, or are
10 such that action by the national government would represent a
11 displacement of prerogatives that are properly those of the
12 State government; and (3) that among these problems is that of
13 climate change; and (4) that there is a need for an organized
14 and comprehensive approach for dealing with energy matters in
15 the State, which can be best served through the adoption of a
16 State energy policy.

17 (b) It is declared to be the policy of the State of
18 Illinois:

19 (1) To become energy self-reliant to the greatest extent
20 possible, primarily by the utilization of the energy resources
21 available within the borders of this State, and by the
22 increased conservation of energy; and

23 (2) To emphasize an approach to energy problems and
24 solutions on a local or regional basis, and to emphasize the
25 use of renewable energy sources wherever possible and

1 practical to do so; and

2 (2.1) To recognize the detrimental impacts of climate
3 change to the citizens of this State, and to act to reverse
4 these impacts through a transition to 100% clean energy; and

5 (3) To seek and promote and aid the efforts of private
6 citizens, businesses, and industries in developing individual
7 contributions to energy problems and difficulties that are
8 being encountered, making use of renewable energy sources that
9 are matched in quality to end-use needs; and

10 (4) The development of a comprehensive master plan for
11 energy that considers available supplies, production and
12 conversion capabilities, levels of demand by each energy type
13 and level of total demand, and the changes in each that are
14 likely to occur over time is a priority that should be
15 developed and implemented immediately.

16 (c) The General Assembly further declares that the
17 progress towards a comprehensive energy plan should be in
18 accordance with the following guidelines:

19 (1) The energy problems being faced in the State can be
20 effectively addressed only by a government that accepts
21 responsibility for dealing with them comprehensively, and by
22 an informed public that understands the seriousness and is
23 ready to make the necessary commitment.

24 (2) Economic growth, employment, and production must be
25 maintained.

26 (3) Policies for the protection of the environment must be

1 maintained.

2 (4) The solutions sought as part of the master planning
3 process must be equitable and fair to all regions, sectors and
4 income groups.

5 (5) The growth of energy demand must be prudently
6 restrained through conservation and improved efficiency of
7 energy usage.

8 (6) Energy prices should generally reflect the true
9 replacement cost of energy.

10 (7) Both energy producers and consumers are entitled to
11 reasonable certainty as to governmental energy policy.

12 (8) Resources in plentiful supply must be used more
13 widely, and the State or locality must begin the process of
14 moderating the use of those in short supply.

15 (9) Use of nonconventional sources of energy must be
16 vigorously expanded.

17 (10) The plans developed:

18 (i) should be realistic and consistent with the basic
19 physical limitations of energy production and utilization
20 processes, and recognize the costs and lead times necessary
21 for implementation of large-scale projects.

22 (ii) must reflect both the need for early action in
23 implementing near-term programs and the need for early
24 planning of programs having long lead times.

25 (iii) must allow flexible response and choice of
26 alternatives to accommodate changing requirements as well as

1 presenting uncertainties in future requirements.

2 (iv) should reflect features that are unique to the State.

3 (v) should recognize the interdisciplinary aspects of
4 State objectives and provide positive guidance for
5 coordination of various organizations and programs.

6 (vi) must consider both direct energy flows and indirect
7 energy embodied in the goods and services entering and leaving
8 a region.

9 (vii) should recognize and include not only long-range
10 aspects, but must also prepare actions to manage the
11 transition from present circumstances to a more manageable
12 energy situation.

13 (Source: P.A. 81-385.)

14 Section 30-22. The Illinois Finance Authority Act is
15 amended by changing Sections 801-1, 801-5, 801-10, and 801-40
16 and by adding the heading of Article 850 and Sections 850-5,
17 850-10, and 850-15 as follows:

18 (20 ILCS 3501/801-1)

19 Sec. 801-1. Short Title. Articles 801 through 850 ~~845~~ of
20 this Act may be cited as the Illinois Finance Authority Act.
21 References to "this Act" in Articles 801 through 850 ~~845~~ are
22 references to the Illinois Finance Authority Act.

23 (Source: P.A. 95-331, eff. 8-21-07.)

1 (20 ILCS 3501/801-5)

2 Sec. 801-5. Findings and declaration of policy. The
3 General Assembly hereby finds, determines and declares:

4 (a) that there are a number of existing State authorities
5 authorized to issue bonds to alleviate the conditions and
6 promote the objectives set forth below; and to provide a
7 stronger, better coordinated development effort, it is
8 determined to be in the interest of promoting the health,
9 safety, morals and general welfare of all the people of the
10 State to consolidate certain of such existing authorities into
11 one finance authority;

12 (b) that involuntary unemployment affects the health,
13 safety, morals and general welfare of the people of the State
14 of Illinois;

15 (c) that the economic burdens resulting from involuntary
16 unemployment fall in part upon the State in the form of public
17 assistance and reduced tax revenues, and in the event the
18 unemployed worker and his family migrate elsewhere to find
19 work, may also fall upon the municipalities and other taxing
20 districts within the areas of unemployment in the form of
21 reduced tax revenues, thereby endangering their financial
22 ability to support necessary governmental services for their
23 remaining inhabitants;

24 (d) that a vigorous growing economy is the basic source of
25 job opportunities;

26 (e) that protection against involuntary unemployment, its

1 economic burdens and the spread of economic stagnation can
2 best be provided by promoting, attracting, stimulating and
3 revitalizing industry, manufacturing and commerce in the
4 State;

5 (f) that the State has a responsibility to help create a
6 favorable climate for new and improved job opportunities for
7 its citizens by encouraging the development of commercial
8 businesses and industrial and manufacturing plants within the
9 State;

10 (g) that increased availability of funds for construction
11 of new facilities and the expansion and improvement of
12 existing facilities for industrial, commercial and
13 manufacturing facilities will provide for new and continued
14 employment in the construction industry and alleviate the
15 burden of unemployment;

16 (h) that in the absence of direct governmental subsidies
17 the unaided operations of private enterprise do not provide
18 sufficient resources for residential construction,
19 rehabilitation, rental or purchase, and that support from
20 housing related commercial facilities is one means of
21 stimulating residential construction, rehabilitation, rental
22 and purchase;

23 (i) that it is in the public interest and the policy of
24 this State to foster and promote by all reasonable means the
25 provision of adequate capital markets and facilities for
26 borrowing money by units of local government, and for the

1 financing of their respective public improvements and other
2 governmental purposes within the State from proceeds of bonds
3 or notes issued by those governmental units; and to assist
4 local governmental units in fulfilling their needs for those
5 purposes by use of creation of indebtedness;

6 (j) that it is in the public interest and the policy of
7 this State to the extent possible, to reduce the costs of
8 indebtedness to taxpayers and residents of this State and to
9 encourage continued investor interest in the purchase of bonds
10 or notes of governmental units as sound and preferred
11 securities for investment; and to encourage governmental units
12 to continue their independent undertakings of public
13 improvements and other governmental purposes and the financing
14 thereof, and to assist them in those activities by making
15 funds available at reduced interest costs for orderly
16 financing of those purposes, especially during periods of
17 restricted credit or money supply, and particularly for those
18 governmental units not otherwise able to borrow for those
19 purposes;

20 (k) that in this State the following conditions exist: (i)
21 an inadequate supply of funds at interest rates sufficiently
22 low to enable persons engaged in agriculture in this State to
23 pursue agricultural operations at present levels; (ii) that
24 such inability to pursue agricultural operations lessens the
25 supply of agricultural commodities available to fulfill the
26 needs of the citizens of this State; (iii) that such inability

1 to continue operations decreases available employment in the
2 agricultural sector of the State and results in unemployment
3 and its attendant problems; (iv) that such conditions prevent
4 the acquisition of an adequate capital stock of farm equipment
5 and machinery, much of which is manufactured in this State,
6 therefore impairing the productivity of agricultural land and,
7 further, causing unemployment or lack of appropriate increase
8 in employment in such manufacturing; (v) that such conditions
9 are conducive to consolidation of acreage of agricultural land
10 with fewer individuals living and farming on the traditional
11 family farm; (vi) that these conditions result in a loss in
12 population, unemployment and movement of persons from rural to
13 urban areas accompanied by added costs to communities for
14 creation of new public facilities and services; (vii) that
15 there have been recurrent shortages of funds for agricultural
16 purposes from private market sources at reasonable rates of
17 interest; (viii) that these shortages have made the sale and
18 purchase of agricultural land to family farmers a virtual
19 impossibility in many parts of the State; (ix) that the
20 ordinary operations of private enterprise have not in the past
21 corrected these conditions; and (x) that a stable supply of
22 adequate funds for agricultural financing is required to
23 encourage family farmers in an orderly and sustained manner
24 and to reduce the problems described above;

25 (1) that for the benefit of the people of the State of
26 Illinois, the conduct and increase of their commerce, the

1 protection and enhancement of their welfare, the development
2 of continued prosperity and the improvement of their health
3 and living conditions it is essential that all the people of
4 the State be given the fullest opportunity to learn and to
5 develop their intellectual and mental capacities and skills;
6 that to achieve these ends it is of the utmost importance that
7 private institutions of higher education within the State be
8 provided with appropriate additional means to assist the
9 people of the State in achieving the required levels of
10 learning and development of their intellectual and mental
11 capacities and skills and that cultural institutions within
12 the State be provided with appropriate additional means to
13 expand the services and resources which they offer for the
14 cultural, intellectual, scientific, educational and artistic
15 enrichment of the people of the State;

16 (m) that in order to foster civic and neighborhood pride,
17 citizens require access to facilities such as educational
18 institutions, recreation, parks and open spaces, entertainment
19 and sports, a reliable transportation network, cultural
20 facilities and theaters and other facilities as authorized by
21 this Act, and that it is in the best interests of the State to
22 lower the costs of all such facilities by providing financing
23 through the State;

24 (n) that to preserve and protect the health of the
25 citizens of the State, and lower the costs of health care, that
26 financing for health facilities should be provided through the

1 State; and it is hereby declared to be the policy of the State,
2 in the interest of promoting the health, safety, morals and
3 general welfare of all the people of the State, to address the
4 conditions noted above, to increase job opportunities and to
5 retain existing jobs in the State, by making available through
6 the Illinois Finance Authority, hereinafter created, funds for
7 the development, improvement and creation of industrial,
8 housing, local government, educational, health, public purpose
9 and other projects; to issue its bonds and notes to make funds
10 at reduced rates and on more favorable terms for borrowing by
11 local governmental units through the purchase of the bonds or
12 notes of the governmental units; and to make or acquire loans
13 for the acquisition and development of agricultural
14 facilities; to provide financing for private institutions of
15 higher education, cultural institutions, health facilities and
16 other facilities and projects as authorized by this Act; and
17 to grant broad powers to the Illinois Finance Authority to
18 accomplish and to carry out these policies of the State which
19 are in the public interest of the State and of its taxpayers
20 and residents;

21 (o) that providing financing alternatives for projects
22 that are located outside the State that are owned, operated,
23 leased, managed by, or otherwise affiliated with, institutions
24 located within the State would promote the economy of the
25 State for the benefit of the health, welfare, safety, trade,
26 commerce, industry, and economy of the people of the State by

1 creating employment opportunities in the State and lowering
2 the cost of accessing healthcare, private education, or
3 cultural institutions in the State by reducing the cost of
4 financing or operating those projects; ~~and~~

5 (p) that the realization of the objectives of the
6 Authority identified in this Act including, without
7 limitation, those designed (1) to assist and enable veterans,
8 minorities, women and disabled individuals to own and operate
9 small businesses; (2) to assist in the delivery of
10 agricultural assistance; and (3) to aid, assist, and encourage
11 economic growth and development within this State, will be
12 enhanced by empowering the Authority to purchase loan
13 participations from participating lenders;

14 (q) that climate change threatens the health, welfare and
15 prosperity of all of the residents of the State;

16 (r) combating climate change is necessary to preserve and
17 enhance the health, welfare and prosperity of all of the
18 residents of the State;

19 (s) that the promotion of the development and
20 implementation of clean energy is necessary to combat climate
21 change and is hereby declared to be the policy of the State;
22 and

23 (t) that designating the Authority as the "Climate Bank"
24 to aid in all respects with providing financial products and
25 programs to finance and otherwise develop and implement clean
26 energy in the State to mitigate or adapt to the negative

1 consequences of climate change, will further the clean energy
2 policy of the State.

3 (Source: P.A. 100-919, eff. 8-17-18.)

4 (20 ILCS 3501/801-10)

5 Sec. 801-10. Definitions. The following terms, whenever
6 used or referred to in this Act, shall have the following
7 meanings, except in such instances where the context may
8 clearly indicate otherwise:

9 (a) The term "Authority" means the Illinois Finance
10 Authority created by this Act.

11 (b) The term "project" means an industrial project, clean
12 energy project, conservation project, housing project, public
13 purpose project, higher education project, health facility
14 project, cultural institution project, municipal bond program
15 project, PACE Project, agricultural facility or agribusiness,
16 and "project" may include any combination of one or more of the
17 foregoing undertaken jointly by any person with one or more
18 other persons.

19 (c) The term "public purpose project" means (i) any
20 project or facility, including without limitation land,
21 buildings, structures, machinery, equipment and all other real
22 and personal property, which is authorized or required by law
23 to be acquired, constructed, improved, rehabilitated,
24 reconstructed, replaced or maintained by any unit of
25 government or, in the case of a clean energy project, any

1 person, or any other lawful public purpose, including
2 provision of working capital, which is authorized or required
3 by law to be undertaken by any unit of government or, in the
4 case of a clean energy project, any person, or (ii) costs
5 incurred and other expenditures, including expenditures for
6 management, investment, or working capital costs, incurred in
7 connection with the reform, consolidation, or implementation
8 of the transition process as described in Articles 22B and 22C
9 of the Illinois Pension Code.

10 (d) The term "industrial project" means the acquisition,
11 construction, refurbishment, creation, development or
12 redevelopment of any facility, equipment, machinery, real
13 property or personal property for use by any instrumentality
14 of the State or its political subdivisions, for use by any
15 person or institution, public or private, for profit or not
16 for profit, or for use in any trade or business, including, but
17 not limited to, any industrial, manufacturing, clean energy,
18 or commercial enterprise that is located within or outside the
19 State, provided that, with respect to a project involving
20 property located outside the State, the property must be
21 owned, operated, leased or managed by an entity located within
22 the State or an entity affiliated with an entity located
23 within the State, and which is (1) a capital project or a clean
24 energy project, including, but not limited to: (i) land and
25 any rights therein, one or more buildings, structures or other
26 improvements, machinery and equipment, whether now existing or

1 hereafter acquired, and whether or not located on the same
2 site or sites; (ii) all appurtenances and facilities
3 incidental to the foregoing, including, but not limited to,
4 utilities, access roads, railroad sidings, track, docking and
5 similar facilities, parking facilities, dockage, wharfage,
6 railroad roadbed, track, trestle, depot, terminal, switching
7 and signaling or related equipment, site preparation and
8 landscaping; and (iii) all non-capital costs and expenses
9 relating thereto or (2) any addition to, renovation,
10 rehabilitation or improvement of a capital project or a clean
11 energy project, or (3) any activity or undertaking within or
12 outside the State, provided that, with respect to a project
13 involving property located outside the State, the property
14 must be owned, operated, leased or managed by an entity
15 located within the State or an entity affiliated with an
16 entity located within the State, which the Authority
17 determines will aid, assist or encourage economic growth,
18 development or redevelopment within the State or any area
19 thereof, will promote the expansion, retention or
20 diversification of employment opportunities within the State
21 or any area thereof or will aid in stabilizing or developing
22 any industry or economic sector of the State economy. The term
23 "industrial project" also means the production of motion
24 pictures.

25 (e) The term "bond" or "bonds" shall include bonds, notes
26 (including bond, grant or revenue anticipation notes),

1 certificates and/or other evidences of indebtedness
2 representing an obligation to pay money, including refunding
3 bonds.

4 (f) The terms "lease agreement" and "loan agreement" shall
5 mean: (i) an agreement whereby a project acquired by the
6 Authority by purchase, gift or lease is leased to any person,
7 corporation or unit of local government which will use or
8 cause the project to be used as a project as heretofore defined
9 upon terms providing for lease rental payments at least
10 sufficient to pay when due all principal of, interest and
11 premium, if any, on any bonds of the Authority issued with
12 respect to such project, providing for the maintenance,
13 insuring and operation of the project on terms satisfactory to
14 the Authority, providing for disposition of the project upon
15 termination of the lease term, including purchase options or
16 abandonment of the premises, and such other terms as may be
17 deemed desirable by the Authority, or (ii) any agreement
18 pursuant to which the Authority agrees to loan the proceeds of
19 its bonds issued with respect to a project or other funds of
20 the Authority to any person which will use or cause the project
21 to be used as a project as heretofore defined upon terms
22 providing for loan repayment installments at least sufficient
23 to pay when due all principal of, interest and premium, if any,
24 on any bonds of the Authority, if any, issued with respect to
25 the project, and providing for maintenance, insurance and
26 other matters as may be deemed desirable by the Authority.

1 (g) The term "financial aid" means the expenditure of
2 Authority funds or funds provided by the Authority through the
3 issuance of its bonds, notes or other evidences of
4 indebtedness or from other sources for the development,
5 construction, acquisition or improvement of a project.

6 (h) The term "person" means an individual, corporation,
7 unit of government, business trust, estate, trust, partnership
8 or association, 2 or more persons having a joint or common
9 interest, or any other legal entity.

10 (i) The term "unit of government" means the federal
11 government, the State or unit of local government, a school
12 district, or any agency or instrumentality, office, officer,
13 department, division, bureau, commission, college or
14 university thereof.

15 (j) The term "health facility" means: (a) any public or
16 private institution, place, building, or agency required to be
17 licensed under the Hospital Licensing Act; (b) any public or
18 private institution, place, building, or agency required to be
19 licensed under the Nursing Home Care Act, the Specialized
20 Mental Health Rehabilitation Act of 2013, the ID/DD Community
21 Care Act, or the MC/DD Act; (c) any public or licensed private
22 hospital as defined in the Mental Health and Developmental
23 Disabilities Code; (d) any such facility exempted from such
24 licensure when the Director of Public Health attests that such
25 exempted facility meets the statutory definition of a facility
26 subject to licensure; (e) any other public or private health

1 service institution, place, building, or agency which the
2 Director of Public Health attests is subject to certification
3 by the Secretary, U.S. Department of Health and Human Services
4 under the Social Security Act, as now or hereafter amended, or
5 which the Director of Public Health attests is subject to
6 standard-setting by a recognized public or voluntary
7 accrediting or standard-setting agency; (f) any public or
8 private institution, place, building or agency engaged in
9 providing one or more supporting services to a health
10 facility; (g) any public or private institution, place,
11 building or agency engaged in providing training in the
12 healing arts, including, but not limited to, schools of
13 medicine, dentistry, osteopathy, optometry, podiatry, pharmacy
14 or nursing, schools for the training of x-ray, laboratory or
15 other health care technicians and schools for the training of
16 para-professionals in the health care field; (h) any public or
17 private congregate, life or extended care or elderly housing
18 facility or any public or private home for the aged or infirm,
19 including, without limitation, any Facility as defined in the
20 Life Care Facilities Act; (i) any public or private mental,
21 emotional or physical rehabilitation facility or any public or
22 private educational, counseling, or rehabilitation facility or
23 home, for those persons with a developmental disability, those
24 who are physically ill or disabled, the emotionally disturbed,
25 those persons with a mental illness or persons with learning
26 or similar disabilities or problems; (j) any public or private

1 alcohol, drug or substance abuse diagnosis, counseling
2 treatment or rehabilitation facility, (k) any public or
3 private institution, place, building or agency licensed by the
4 Department of Children and Family Services or which is not so
5 licensed but which the Director of Children and Family
6 Services attests provides child care, child welfare or other
7 services of the type provided by facilities subject to such
8 licensure; (l) any public or private adoption agency or
9 facility; and (m) any public or private blood bank or blood
10 center. "Health facility" also means a public or private
11 structure or structures suitable primarily for use as a
12 laboratory, laundry, nurses or interns residence or other
13 housing or hotel facility used in whole or in part for staff,
14 employees or students and their families, patients or
15 relatives of patients admitted for treatment or care in a
16 health facility, or persons conducting business with a health
17 facility, physician's facility, surgicenter, administration
18 building, research facility, maintenance, storage or utility
19 facility and all structures or facilities related to any of
20 the foregoing or required or useful for the operation of a
21 health facility, including parking or other facilities or
22 other supporting service structures required or useful for the
23 orderly conduct of such health facility. "Health facility"
24 also means, with respect to a project located outside the
25 State, any public or private institution, place, building, or
26 agency which provides services similar to those described

1 above, provided that such project is owned, operated, leased
2 or managed by a participating health institution located
3 within the State, or a participating health institution
4 affiliated with an entity located within the State.

5 (k) The term "participating health institution" means (i)
6 a private corporation or association or (ii) a public entity
7 of this State, in either case authorized by the laws of this
8 State or the applicable state to provide or operate a health
9 facility as defined in this Act and which, pursuant to the
10 provisions of this Act, undertakes the financing, construction
11 or acquisition of a project or undertakes the refunding or
12 refinancing of obligations, loans, indebtedness or advances as
13 provided in this Act.

14 (l) The term "health facility project", means a specific
15 health facility work or improvement to be financed or
16 refinanced (including without limitation through reimbursement
17 of prior expenditures), acquired, constructed, enlarged,
18 remodeled, renovated, improved, furnished, or equipped, with
19 funds provided in whole or in part hereunder, any accounts
20 receivable, working capital, liability or insurance cost or
21 operating expense financing or refinancing program of a health
22 facility with or involving funds provided in whole or in part
23 hereunder, or any combination thereof.

24 (m) The term "bond resolution" means the resolution or
25 resolutions authorizing the issuance of, or providing terms
26 and conditions related to, bonds issued under this Act and

1 includes, where appropriate, any trust agreement, trust
2 indenture, indenture of mortgage or deed of trust providing
3 terms and conditions for such bonds.

4 (n) The term "property" means any real, personal or mixed
5 property, whether tangible or intangible, or any interest
6 therein, including, without limitation, any real estate,
7 leasehold interests, appurtenances, buildings, easements,
8 equipment, furnishings, furniture, improvements, machinery,
9 rights of way, structures, accounts, contract rights or any
10 interest therein.

11 (o) The term "revenues" means, with respect to any
12 project, the rents, fees, charges, interest, principal
13 repayments, collections and other income or profit derived
14 therefrom.

15 (p) The term "higher education project" means, in the case
16 of a private institution of higher education, an educational
17 facility to be acquired, constructed, enlarged, remodeled,
18 renovated, improved, furnished, or equipped, or any
19 combination thereof.

20 (q) The term "cultural institution project" means, in the
21 case of a cultural institution, a cultural facility to be
22 acquired, constructed, enlarged, remodeled, renovated,
23 improved, furnished, or equipped, or any combination thereof.

24 (r) The term "educational facility" means any property
25 located within the State, or any property located outside the
26 State, provided that, if the property is located outside the

1 State, it must be owned, operated, leased or managed by an
2 entity located within the State or an entity affiliated with
3 an entity located within the State, in each case constructed
4 or acquired before or after the effective date of this Act,
5 which is or will be, in whole or in part, suitable for the
6 instruction, feeding, recreation or housing of students, the
7 conducting of research or other work of a private institution
8 of higher education, the use by a private institution of
9 higher education in connection with any educational, research
10 or related or incidental activities then being or to be
11 conducted by it, or any combination of the foregoing,
12 including, without limitation, any such property suitable for
13 use as or in connection with any one or more of the following:
14 an academic facility, administrative facility, agricultural
15 facility, assembly hall, athletic facility, auditorium,
16 boating facility, campus, communication facility, computer
17 facility, continuing education facility, classroom, dining
18 hall, dormitory, exhibition hall, fire fighting facility, fire
19 prevention facility, food service and preparation facility,
20 gymnasium, greenhouse, health care facility, hospital,
21 housing, instructional facility, laboratory, library,
22 maintenance facility, medical facility, museum, offices,
23 parking area, physical education facility, recreational
24 facility, research facility, stadium, storage facility,
25 student union, study facility, theatre or utility.

26 (s) The term "cultural facility" means any property

1 located within the State, or any property located outside the
2 State, provided that, if the property is located outside the
3 State, it must be owned, operated, leased or managed by an
4 entity located within the State or an entity affiliated with
5 an entity located within the State, in each case constructed
6 or acquired before or after the effective date of this Act,
7 which is or will be, in whole or in part, suitable for the
8 particular purposes or needs of a cultural institution,
9 including, without limitation, any such property suitable for
10 use as or in connection with any one or more of the following:
11 an administrative facility, aquarium, assembly hall,
12 auditorium, botanical garden, exhibition hall, gallery,
13 greenhouse, library, museum, scientific laboratory, theater or
14 zoological facility, and shall also include, without
15 limitation, books, works of art or music, animal, plant or
16 aquatic life or other items for display, exhibition or
17 performance. The term "cultural facility" includes buildings
18 on the National Register of Historic Places which are owned or
19 operated by nonprofit entities.

20 (t) "Private institution of higher education" means a
21 not-for-profit educational institution which is not owned by
22 the State or any political subdivision, agency,
23 instrumentality, district or municipality thereof, which is
24 authorized by law to provide a program of education beyond the
25 high school level and which:

26 (1) Admits as regular students only individuals having

1 a certificate of graduation from a high school, or the
2 recognized equivalent of such a certificate;

3 (2) Provides an educational program for which it
4 awards a bachelor's degree, or provides an educational
5 program, admission into which is conditioned upon the
6 prior attainment of a bachelor's degree or its equivalent,
7 for which it awards a postgraduate degree, or provides not
8 less than a 2-year program which is acceptable for full
9 credit toward such a degree, or offers a 2-year program in
10 engineering, mathematics, or the physical or biological
11 sciences which is designed to prepare the student to work
12 as a technician and at a semiprofessional level in
13 engineering, scientific, or other technological fields
14 which require the understanding and application of basic
15 engineering, scientific, or mathematical principles or
16 knowledge;

17 (3) Is accredited by a nationally recognized
18 accrediting agency or association or, if not so
19 accredited, is an institution whose credits are accepted,
20 on transfer, by not less than 3 institutions which are so
21 accredited, for credit on the same basis as if transferred
22 from an institution so accredited, and holds an unrevoked
23 certificate of approval under the Private College Act from
24 the Board of Higher Education, or is qualified as a
25 "degree granting institution" under the Academic Degree
26 Act; and

1 (4) Does not discriminate in the admission of students
2 on the basis of race or color. "Private institution of
3 higher education" also includes any "academic
4 institution".

5 (u) The term "academic institution" means any
6 not-for-profit institution which is not owned by the State or
7 any political subdivision, agency, instrumentality, district
8 or municipality thereof, which institution engages in, or
9 facilitates academic, scientific, educational or professional
10 research or learning in a field or fields of study taught at a
11 private institution of higher education. Academic institutions
12 include, without limitation, libraries, archives, academic,
13 scientific, educational or professional societies,
14 institutions, associations or foundations having such
15 purposes.

16 (v) The term "cultural institution" means any
17 not-for-profit institution which is not owned by the State or
18 any political subdivision, agency, instrumentality, district
19 or municipality thereof, which institution engages in the
20 cultural, intellectual, scientific, educational or artistic
21 enrichment of the people of the State. Cultural institutions
22 include, without limitation, aquaria, botanical societies,
23 historical societies, libraries, museums, performing arts
24 associations or societies, scientific societies and zoological
25 societies.

26 (w) The term "affiliate" means, with respect to financing

1 of an agricultural facility or an agribusiness, any lender,
2 any person, firm or corporation controlled by, or under common
3 control with, such lender, and any person, firm or corporation
4 controlling such lender.

5 (x) The term "agricultural facility" means land, any
6 building or other improvement thereon or thereto, and any
7 personal properties deemed necessary or suitable for use,
8 whether or not now in existence, in farming, ranching, the
9 production of agricultural commodities (including, without
10 limitation, the products of aquaculture, hydroponics and
11 silviculture) or the treating, processing or storing of such
12 agricultural commodities when such activities are customarily
13 engaged in by farmers as a part of farming and which land,
14 building, improvement or personal property is located within
15 the State, or is located outside the State, provided that, if
16 such property is located outside the State, it must be owned,
17 operated, leased, or managed by an entity located within the
18 State or an entity affiliated with an entity located within
19 the State.

20 (y) The term "lender" with respect to financing of an
21 agricultural facility or an agribusiness, means any federal or
22 State chartered bank, Federal Land Bank, Production Credit
23 Association, Bank for Cooperatives, federal or State chartered
24 savings and loan association or building and loan association,
25 Small Business Investment Company or any other institution
26 qualified within this State to originate and service loans,

1 including, but without limitation to, insurance companies,
2 credit unions and mortgage loan companies. "Lender" also means
3 a wholly owned subsidiary of a manufacturer, seller or
4 distributor of goods or services that makes loans to
5 businesses or individuals, commonly known as a "captive
6 finance company".

7 (z) The term "agribusiness" means any sole proprietorship,
8 limited partnership, co-partnership, joint venture,
9 corporation or cooperative which operates or will operate a
10 facility located within the State or outside the State,
11 provided that, if any facility is located outside the State,
12 it must be owned, operated, leased, or managed by an entity
13 located within the State or an entity affiliated with an
14 entity located within the State, that is related to the
15 processing of agricultural commodities (including, without
16 limitation, the products of aquaculture, hydroponics and
17 silviculture) or the manufacturing, production or construction
18 of agricultural buildings, structures, equipment, implements,
19 and supplies, or any other facilities or processes used in
20 agricultural production. Agribusiness includes but is not
21 limited to the following:

22 (1) grain handling and processing, including grain
23 storage, drying, treatment, conditioning, mailing and
24 packaging;

25 (2) seed and feed grain development and processing;

26 (3) fruit and vegetable processing, including

1 preparation, canning and packaging;

2 (4) processing of livestock and livestock products,
3 dairy products, poultry and poultry products, fish or
4 apiarian products, including slaughter, shearing,
5 collecting, preparation, canning and packaging;

6 (5) fertilizer and agricultural chemical
7 manufacturing, processing, application and supplying;

8 (6) farm machinery, equipment and implement
9 manufacturing and supplying;

10 (7) manufacturing and supplying of agricultural
11 commodity processing machinery and equipment, including
12 machinery and equipment used in slaughter, treatment,
13 handling, collecting, preparation, canning or packaging of
14 agricultural commodities;

15 (8) farm building and farm structure manufacturing,
16 construction and supplying;

17 (9) construction, manufacturing, implementation,
18 supplying or servicing of irrigation, drainage and soil
19 and water conservation devices or equipment;

20 (10) fuel processing and development facilities that
21 produce fuel from agricultural commodities or byproducts;

22 (11) facilities and equipment for processing and
23 packaging agricultural commodities specifically for
24 export;

25 (12) facilities and equipment for forestry product
26 processing and supplying, including sawmilling operations,

1 wood chip operations, timber harvesting operations, and
2 manufacturing of prefabricated buildings, paper, furniture
3 or other goods from forestry products;

4 (13) facilities and equipment for research and
5 development of products, processes and equipment for the
6 production, processing, preparation or packaging of
7 agricultural commodities and byproducts.

8 (aa) The term "asset" with respect to financing of any
9 agricultural facility or any agribusiness, means, but is not
10 limited to the following: cash crops or feed on hand;
11 livestock held for sale; breeding stock; marketable bonds and
12 securities; securities not readily marketable; accounts
13 receivable; notes receivable; cash invested in growing crops;
14 net cash value of life insurance; machinery and equipment;
15 cars and trucks; farm and other real estate including life
16 estates and personal residence; value of beneficial interests
17 in trusts; government payments or grants; and any other
18 assets.

19 (bb) The term "liability" with respect to financing of any
20 agricultural facility or any agribusiness shall include, but
21 not be limited to the following: accounts payable; notes or
22 other indebtedness owed to any source; taxes; rent; amounts
23 owed on real estate contracts or real estate mortgages;
24 judgments; accrued interest payable; and any other liability.

25 (cc) The term "Predecessor Authorities" means those
26 authorities as described in Section 845-75.

1 (dd) The term "housing project" means a specific work or
2 improvement located within the State or outside the State and
3 undertaken to provide residential dwelling accommodations,
4 including the acquisition, construction or rehabilitation of
5 lands, buildings and community facilities and in connection
6 therewith to provide nonhousing facilities which are part of
7 the housing project, including land, buildings, improvements,
8 equipment and all ancillary facilities for use for offices,
9 stores, retirement homes, hotels, financial institutions,
10 service, health care, education, recreation or research
11 establishments, or any other commercial purpose which are or
12 are to be related to a housing development, provided that any
13 work or improvement located outside the State is owned,
14 operated, leased or managed by an entity located within the
15 State, or any entity affiliated with an entity located within
16 the State.

17 (ee) The term "conservation project" means any project
18 including the acquisition, construction, rehabilitation,
19 maintenance, operation, or upgrade that is intended to create
20 or expand open space or to reduce energy usage through
21 efficiency measures. For the purpose of this definition, "open
22 space" has the definition set forth under Section 10 of the
23 Illinois Open Land Trust Act.

24 (ff) The term "significant presence" means the existence
25 within the State of the national or regional headquarters of
26 an entity or group or such other facility of an entity or group

1 of entities where a significant amount of the business
2 functions are performed for such entity or group of entities.

3 (gg) The term "municipal bond issuer" means the State or
4 any other state or commonwealth of the United States, or any
5 unit of local government, school district, agency or
6 instrumentality, office, department, division, bureau,
7 commission, college or university thereof located in the State
8 or any other state or commonwealth of the United States.

9 (hh) The term "municipal bond program project" means a
10 program for the funding of the purchase of bonds, notes or
11 other obligations issued by or on behalf of a municipal bond
12 issuer.

13 (ii) The term "participating lender" means any trust
14 company, bank, savings bank, credit union, merchant bank,
15 investment bank, broker, investment trust, pension fund,
16 building and loan association, savings and loan association,
17 insurance company, venture capital company, or other
18 institution approved by the Authority which provides a portion
19 of the financing for a project.

20 (jj) The term "loan participation" means any loan in which
21 the Authority co-operates with a participating lender to
22 provide all or a portion of the financing for a project.

23 (kk) The term "PACE Project" means an energy project as
24 defined in Section 5 of the Property Assessed Clean Energy
25 Act.

26 (ll) The term "clean energy" means energy generation that

1 is substantially free (90% or more) of carbon dioxide
2 emissions by design or operations, or which otherwise
3 contributes to the reduction in emissions of
4 environmentally-hazardous materials or reduces the volume of
5 environmentally-dangerous materials.

6 (mm) The term "clean energy project" means the
7 acquisition, construction, refurbishment, creation,
8 development or redevelopment of any facility, equipment,
9 machinery, real property or personal property for use by the
10 State or any unit of local government, school district, agency
11 or instrumentality, office, department, division, bureau,
12 commission, college or university of the State, for use by any
13 person or institution, public or private, for profit or not
14 for profit, or for use in any trade or business, which the
15 Authority determines will aid, assist or encourage the
16 development or implementation of clean energy in the State, or
17 as otherwise contemplated by Article 850.

18 (nn) The term "Climate Bank" means the Authority in the
19 exercise of those powers conferred on it by this Act related to
20 clean energy or clean water, drinking water, or wastewater
21 treatment.

22 (Source: P.A. 100-919, eff. 8-17-18; 101-610, eff. 1-1-20.)

23 (20 ILCS 3501/801-40)

24 Sec. 801-40. In addition to the powers otherwise
25 authorized by law and in addition to the foregoing general

1 corporate powers, the Authority shall also have the following
2 additional specific powers to be exercised in furtherance of
3 the purposes of this Act.

4 (a) The Authority shall have power (i) to accept grants,
5 loans or appropriations from the federal government or the
6 State, or any agency or instrumentality thereof, or, in the
7 case of clean energy projects, any not for profit,
8 philanthropic or other charitable organization, public or
9 private, to be used for the operating expenses of the
10 Authority, or for any purposes of the Authority, including the
11 making of direct loans of such funds with respect to projects,
12 and (ii) to enter into any agreement with the federal
13 government or the State, or any agency or instrumentality
14 thereof, in relationship to such grants, loans or
15 appropriations.

16 (b) The Authority shall have power to procure and enter
17 into contracts for any type of insurance and indemnity
18 agreements covering loss or damage to property from any cause,
19 including loss of use and occupancy, or covering any other
20 insurable risk.

21 (c) The Authority shall have the continuing power to issue
22 bonds for its corporate purposes. Bonds may be issued by the
23 Authority in one or more series and may provide for the payment
24 of any interest deemed necessary on such bonds, of the costs of
25 issuance of such bonds, of any premium on any insurance, or of
26 the cost of any guarantees, letters of credit or other similar

1 documents, may provide for the funding of the reserves deemed
2 necessary in connection with such bonds, and may provide for
3 the refunding or advance refunding of any bonds or for
4 accounts deemed necessary in connection with any purpose of
5 the Authority. The bonds may bear interest payable at any time
6 or times and at any rate or rates, notwithstanding any other
7 provision of law to the contrary, and such rate or rates may be
8 established by an index or formula which may be implemented or
9 established by persons appointed or retained therefor by the
10 Authority, or may bear no interest or may bear interest
11 payable at maturity or upon redemption prior to maturity, may
12 bear such date or dates, may be payable at such time or times
13 and at such place or places, may mature at any time or times
14 not later than 40 years from the date of issuance, may be sold
15 at public or private sale at such time or times and at such
16 price or prices, may be secured by such pledges, reserves,
17 guarantees, letters of credit, insurance contracts or other
18 similar credit support or liquidity instruments, may be
19 executed in such manner, may be subject to redemption prior to
20 maturity, may provide for the registration of the bonds, and
21 may be subject to such other terms and conditions all as may be
22 provided by the resolution or indenture authorizing the
23 issuance of such bonds. The holder or holders of any bonds
24 issued by the Authority may bring suits at law or proceedings
25 in equity to compel the performance and observance by any
26 person or by the Authority or any of its agents or employees of

1 any contract or covenant made with the holders of such bonds
2 and to compel such person or the Authority and any of its
3 agents or employees to perform any duties required to be
4 performed for the benefit of the holders of any such bonds by
5 the provision of the resolution authorizing their issuance,
6 and to enjoin such person or the Authority and any of its
7 agents or employees from taking any action in conflict with
8 any such contract or covenant. Notwithstanding the form and
9 tenor of any such bonds and in the absence of any express
10 recital on the face thereof that it is non-negotiable, all
11 such bonds shall be negotiable instruments. Pending the
12 preparation and execution of any such bonds, temporary bonds
13 may be issued as provided by the resolution. The bonds shall be
14 sold by the Authority in such manner as it shall determine. The
15 bonds may be secured as provided in the authorizing resolution
16 by the receipts, revenues, income and other available funds of
17 the Authority and by any amounts derived by the Authority from
18 the loan agreement or lease agreement with respect to the
19 project or projects; and bonds may be issued as general
20 obligations of the Authority payable from such revenues, funds
21 and obligations of the Authority as the bond resolution shall
22 provide, or may be issued as limited obligations with a claim
23 for payment solely from such revenues, funds and obligations
24 as the bond resolution shall provide. The Authority may grant
25 a specific pledge or assignment of and lien on or security
26 interest in such rights, revenues, income, or amounts and may

1 grant a specific pledge or assignment of and lien on or
2 security interest in any reserves, funds or accounts
3 established in the resolution authorizing the issuance of
4 bonds. Any such pledge, assignment, lien or security interest
5 for the benefit of the holders of the Authority's bonds shall
6 be valid and binding from the time the bonds are issued without
7 any physical delivery or further act, and shall be valid and
8 binding as against and prior to the claims of all other parties
9 having claims against the Authority or any other person
10 irrespective of whether the other parties have notice of the
11 pledge, assignment, lien or security interest. As evidence of
12 such pledge, assignment, lien and security interest, the
13 Authority may execute and deliver a mortgage, trust agreement,
14 indenture or security agreement or an assignment thereof. A
15 remedy for any breach or default of the terms of any such
16 agreement by the Authority may be by mandamus proceedings in
17 any court of competent jurisdiction to compel the performance
18 and compliance therewith, but the agreement may prescribe by
19 whom or on whose behalf such action may be instituted. It is
20 expressly understood that the Authority may, but need not,
21 acquire title to any project with respect to which it
22 exercises its authority.

23 (d) With respect to the powers granted by this Act, the
24 Authority may adopt rules and regulations prescribing the
25 procedures by which persons may apply for assistance under
26 this Act. Nothing herein shall be deemed to preclude the

1 Authority, prior to the filing of any formal application, from
2 conducting preliminary discussions and investigations with
3 respect to the subject matter of any prospective application.

4 (e) The Authority shall have power to acquire by purchase,
5 lease, gift or otherwise any property or rights therein from
6 any person useful for its purposes, whether improved for the
7 purposes of any prospective project, or unimproved. The
8 Authority may also accept any donation of funds for its
9 purposes from any such source. The Authority shall have no
10 independent power of condemnation but may acquire any property
11 or rights therein obtained upon condemnation by any other
12 authority, governmental entity or unit of local government
13 with such power.

14 (f) The Authority shall have power to develop, construct
15 and improve either under its own direction, or through
16 collaboration with any approved applicant, or to acquire
17 through purchase or otherwise, any project, using for such
18 purpose the proceeds derived from the sale of its bonds or from
19 governmental loans or grants, and to hold title in the name of
20 the Authority to such projects.

21 (g) The Authority shall have power to lease pursuant to a
22 lease agreement any project so developed and constructed or
23 acquired to the approved tenant on such terms and conditions
24 as may be appropriate to further the purposes of this Act and
25 to maintain the credit of the Authority. Any such lease may
26 provide for either the Authority or the approved tenant to

1 assume initially, in whole or in part, the costs of
2 maintenance, repair and improvements during the leasehold
3 period. In no case, however, shall the total rentals from any
4 project during any initial leasehold period or the total loan
5 repayments to be made pursuant to any loan agreement, be less
6 than an amount necessary to return over such lease or loan
7 period (1) all costs incurred in connection with the
8 development, construction, acquisition or improvement of the
9 project and for repair, maintenance and improvements thereto
10 during the period of the lease or loan; provided, however,
11 that the rentals or loan repayments need not include costs met
12 through the use of funds other than those obtained by the
13 Authority through the issuance of its bonds or governmental
14 loans; (2) a reasonable percentage additive to be agreed upon
15 by the Authority and the borrower or tenant to cover a properly
16 allocable portion of the Authority's general expenses,
17 including, but not limited to, administrative expenses,
18 salaries and general insurance, and (3) an amount sufficient
19 to pay when due all principal of, interest and premium, if any
20 on, any bonds issued by the Authority with respect to the
21 project. The portion of total rentals payable under clause (3)
22 of this subsection (g) shall be deposited in such special
23 accounts, including all sinking funds, acquisition or
24 construction funds, debt service and other funds as provided
25 by any resolution, mortgage or trust agreement of the
26 Authority pursuant to which any bond is issued.

1 (h) The Authority has the power, upon the termination of
2 any leasehold period of any project, to sell or lease for a
3 further term or terms such project on such terms and
4 conditions as the Authority shall deem reasonable and
5 consistent with the purposes of the Act. The net proceeds from
6 all such sales and the revenues or income from such leases
7 shall be used to satisfy any indebtedness of the Authority
8 with respect to such project and any balance may be used to pay
9 any expenses of the Authority or be used for the further
10 development, construction, acquisition or improvement of
11 projects. In the event any project is vacated by a tenant prior
12 to the termination of the initial leasehold period, the
13 Authority shall sell or lease the facilities of the project on
14 the most advantageous terms available. The net proceeds of any
15 such disposition shall be treated in the same manner as the
16 proceeds from sales or the revenues or income from leases
17 subsequent to the termination of any initial leasehold period.

18 (i) The Authority shall have the power to make loans, or to
19 purchase loan participations in loans made, to persons to
20 finance a project, to enter into loan agreements or agreements
21 with participating lenders with respect thereto, and to accept
22 guarantees from persons of its loans or the resultant
23 evidences of obligations of the Authority.

24 (j) The Authority may fix, determine, charge and collect
25 any premiums, fees, charges, costs and expenses, including,
26 without limitation, any application fees, commitment fees,

1 program fees, financing charges or publication fees from any
2 person in connection with its activities under this Act.

3 (k) In addition to the funds established as provided
4 herein, the Authority shall have the power to create and
5 establish such reserve funds and accounts as may be necessary
6 or desirable to accomplish its purposes under this Act and to
7 deposit its available monies into the funds and accounts.

8 (l) At the request of the governing body of any unit of
9 local government, the Authority is authorized to market such
10 local government's revenue bond offerings by preparing bond
11 issues for sale, advertising for sealed bids, receiving bids
12 at its offices, making the award to the bidder that offers the
13 most favorable terms or arranging for negotiated placements or
14 underwritings of such securities. The Authority may, at its
15 discretion, offer for concurrent sale the revenue bonds of
16 several local governments. Sales by the Authority of revenue
17 bonds under this Section shall in no way imply State guarantee
18 of such debt issue. The Authority may require such financial
19 information from participating local governments as it deems
20 necessary in order to carry out the purposes of this
21 subsection (1).

22 (m) The Authority may make grants to any county to which
23 Division 5-37 of the Counties Code is applicable to assist in
24 the financing of capital development, construction and
25 renovation of new or existing facilities for hospitals and
26 health care facilities under that Act. Such grants may only be

1 made from funds appropriated for such purposes from the Build
2 Illinois Bond Fund.

3 (n) The Authority may establish an urban development
4 action grant program for the purpose of assisting
5 municipalities in Illinois which are experiencing severe
6 economic distress to help stimulate economic development
7 activities needed to aid in economic recovery. The Authority
8 shall determine the types of activities and projects for which
9 the urban development action grants may be used, provided that
10 such projects and activities are broadly defined to include
11 all reasonable projects and activities the primary objectives
12 of which are the development of viable urban communities,
13 including decent housing and a suitable living environment,
14 and expansion of economic opportunity, principally for persons
15 of low and moderate incomes. The Authority shall enter into
16 grant agreements from monies appropriated for such purposes
17 from the Build Illinois Bond Fund. The Authority shall monitor
18 the use of the grants, and shall provide for audits of the
19 funds as well as recovery by the Authority of any funds
20 determined to have been spent in violation of this subsection
21 (n) or any rule or regulation promulgated hereunder. The
22 Authority shall provide technical assistance with regard to
23 the effective use of the urban development action grants. The
24 Authority shall file an annual report to the General Assembly
25 concerning the progress of the grant program.

26 (o) The Authority may establish a Housing Partnership

1 Program whereby the Authority provides zero-interest loans to
2 municipalities for the purpose of assisting in the financing
3 of projects for the rehabilitation of affordable multi-family
4 housing for low and moderate income residents. The Authority
5 may provide such loans only upon a municipality's providing
6 evidence that it has obtained private funding for the
7 rehabilitation project. The Authority shall provide 3 State
8 dollars for every 7 dollars obtained by the municipality from
9 sources other than the State of Illinois. The loans shall be
10 made from monies appropriated for such purpose from the Build
11 Illinois Bond Fund. The total amount of loans available under
12 the Housing Partnership Program shall not exceed \$30,000,000.
13 State loan monies under this subsection shall be used only for
14 the acquisition and rehabilitation of existing buildings
15 containing 4 or more dwelling units. The terms of any loan made
16 by the municipality under this subsection shall require
17 repayment of the loan to the municipality upon any sale or
18 other transfer of the project. In addition, the Authority may
19 use any moneys appropriated for such purpose from the Build
20 Illinois Bond Fund, including funds loaned under this
21 subsection and repaid as principal or interest, and investment
22 income on such funds, to make the loans authorized by
23 subsection (z), without regard to any restrictions or
24 limitations provided in this subsection.

25 (p) The Authority may award grants to universities and
26 research institutions, research consortiums and other

1 not-for-profit entities for the purposes of: remodeling or
2 otherwise physically altering existing laboratory or research
3 facilities, expansion or physical additions to existing
4 laboratory or research facilities, construction of new
5 laboratory or research facilities or acquisition of modern
6 equipment to support laboratory or research operations
7 provided that such grants (i) be used solely in support of
8 project and equipment acquisitions which enhance technology
9 transfer, and (ii) not constitute more than 60 percent of the
10 total project or acquisition cost.

11 (q) Grants may be awarded by the Authority to units of
12 local government for the purpose of developing the appropriate
13 infrastructure or defraying other costs to the local
14 government in support of laboratory or research facilities
15 provided that such grants may not exceed 40% of the cost to the
16 unit of local government.

17 (r) In addition to the powers granted to the Authority
18 under subsection (i), and in all cases supplemental to it, the
19 Authority may establish a direct loan program to make loans
20 to, or may purchase participations in loans made by
21 participating lenders to, individuals, partnerships,
22 corporations, or other business entities for the purpose of
23 financing an industrial project, as defined in Section 801-10
24 of this Act. For the purposes of such program and not by way of
25 limitation on any other program of the Authority, including,
26 without limitation, programs established under subsection (i),

1 the Authority shall have the power to issue bonds, notes, or
2 other evidences of indebtedness including commercial paper for
3 purposes of providing a fund of capital from which it may make
4 such loans. The Authority shall have the power to use any
5 appropriations from the State made especially for the
6 Authority's direct loan program, or moneys at any time held by
7 the Authority under this Act outside the State treasury in the
8 custody of either the Treasurer of the Authority or a trustee
9 or depository appointed by the Authority, for additional
10 capital to make such loans or purchase such loan
11 participations, or for the purposes of reserve funds or
12 pledged funds which secure the Authority's obligations of
13 repayment of any bond, note or other form of indebtedness
14 established for the purpose of providing capital for which it
15 intends to make such loans or purchase such loan
16 participations. For the purpose of obtaining such capital, the
17 Authority may also enter into agreements with financial
18 institutions, participating lenders, and other persons for the
19 purpose of administering a loan participation program, selling
20 loans or developing a secondary market for such loans or loan
21 participations. Loans made under the direct loan program
22 specifically established under this subsection (r), including
23 loans under such program made by participating lenders in
24 which the Authority purchases a participation, may be in an
25 amount not to exceed \$600,000 and shall be made for a portion
26 of an industrial project which does not exceed 50% of the total

1 project. No loan may be made by the Authority unless approved
2 by the affirmative vote of at least 8 members of the board. The
3 Authority shall establish procedures and publish rules which
4 shall provide for the submission, review, and analysis of each
5 direct loan and loan participation application and which shall
6 preserve the ability of each board member and the Executive
7 Director, as applicable, to reach an individual business
8 judgment regarding the propriety of each direct loan or loan
9 participation. The collective discretion of the board to
10 approve or disapprove each loan shall be unencumbered. The
11 Authority may establish and collect such fees and charges,
12 determine and enforce such terms and conditions, and charge
13 such interest rates as it determines to be necessary and
14 appropriate to the successful administration of the direct
15 loan program, including purchasing loan participations. The
16 Authority may require such interests in collateral and such
17 guarantees as it determines are necessary to protect the
18 Authority's interest in the repayment of the principal and
19 interest of each loan and loan participation made under the
20 direct loan program. The restrictions established under this
21 subsection (r) shall not be applicable to any loan or loan
22 participation made under subsection (i) or to any loan or loan
23 participation made under any other Section of this Act.

24 (s) The Authority may guarantee private loans to third
25 parties up to a specified dollar amount in order to promote
26 economic development in this State.

1 (t) The Authority may adopt rules and regulations as may
2 be necessary or advisable to implement the powers conferred by
3 this Act.

4 (u) The Authority shall have the power to issue bonds,
5 notes or other evidences of indebtedness, which may be used to
6 make loans to units of local government which are authorized
7 to enter into loan agreements and other documents and to issue
8 bonds, notes and other evidences of indebtedness for the
9 purpose of financing the protection of storm sewer outfalls,
10 the construction of adequate storm sewer outfalls, and the
11 provision for flood protection of sanitary sewage treatment
12 plans, in counties that have established a stormwater
13 management planning committee in accordance with Section
14 5-1062 of the Counties Code. Any such loan shall be made by the
15 Authority pursuant to the provisions of Section 820-5 to
16 820-60 of this Act. The unit of local government shall pay back
17 to the Authority the principal amount of the loan, plus annual
18 interest as determined by the Authority. The Authority shall
19 have the power, subject to appropriations by the General
20 Assembly, to subsidize or buy down a portion of the interest on
21 such loans, up to 4% per annum.

22 (v) The Authority may accept security interests as
23 provided in Sections 11-3 and 11-3.3 of the Illinois Public
24 Aid Code.

25 (w) Moral Obligation. In the event that the Authority
26 determines that monies of the Authority will not be sufficient

1 for the payment of the principal of and interest on its bonds
2 during the next State fiscal year, the Chairperson, as soon as
3 practicable, shall certify to the Governor the amount required
4 by the Authority to enable it to pay such principal of and
5 interest on the bonds. The Governor shall submit the amount so
6 certified to the General Assembly as soon as practicable, but
7 no later than the end of the current State fiscal year. This
8 subsection shall apply only to any bonds or notes as to which
9 the Authority shall have determined, in the resolution
10 authorizing the issuance of the bonds or notes, that this
11 subsection shall apply. Whenever the Authority makes such a
12 determination, that fact shall be plainly stated on the face
13 of the bonds or notes and that fact shall also be reported to
14 the Governor. In the event of a withdrawal of moneys from a
15 reserve fund established with respect to any issue or issues
16 of bonds of the Authority to pay principal or interest on those
17 bonds, the Chairperson of the Authority, as soon as
18 practicable, shall certify to the Governor the amount required
19 to restore the reserve fund to the level required in the
20 resolution or indenture securing those bonds. The Governor
21 shall submit the amount so certified to the General Assembly
22 as soon as practicable, but no later than the end of the
23 current State fiscal year. The Authority shall obtain written
24 approval from the Governor for any bonds and notes to be issued
25 under this Section. In addition to any other bonds authorized
26 to be issued under Sections 825-60, 825-65(e), 830-25 and

1 845-5, the principal amount of Authority bonds outstanding
2 issued under this Section 801-40(w) or under 20 ILCS 3850/1-80
3 or 30 ILCS 360/2-6(c), which have been assumed by the
4 Authority, shall not exceed \$150,000,000. This subsection (w)
5 shall in no way be applied to any bonds issued by the Authority
6 on behalf of the Illinois Power Agency under Section 825-90 of
7 this Act.

8 (x) The Authority may enter into agreements or contracts
9 with any person necessary or appropriate to place the payment
10 obligations of the Authority under any of its bonds in whole or
11 in part on any interest rate basis, cash flow basis, or other
12 basis desired by the Authority, including without limitation
13 agreements or contracts commonly known as "interest rate swap
14 agreements", "forward payment conversion agreements", and
15 "futures", or agreements or contracts to exchange cash flows
16 or a series of payments, or agreements or contracts, including
17 without limitation agreements or contracts commonly known as
18 "options", "puts", or "calls", to hedge payment, rate spread,
19 or similar exposure; provided that any such agreement or
20 contract shall not constitute an obligation for borrowed money
21 and shall not be taken into account under Section 845-5 of this
22 Act or any other debt limit of the Authority or the State of
23 Illinois.

24 (y) The Authority shall publish summaries of projects and
25 actions approved by the members of the Authority on its
26 website. These summaries shall include, but not be limited to,

1 information regarding the:

2 (1) project;

3 (2) Board's action or actions;

4 (3) purpose of the project;

5 (4) Authority's program and contribution;

6 (5) volume cap;

7 (6) jobs retained;

8 (7) projected new jobs;

9 (8) construction jobs created;

10 (9) estimated sources and uses of funds;

11 (10) financing summary;

12 (11) project summary;

13 (12) business summary;

14 (13) ownership or economic disclosure statement;

15 (14) professional and financial information;

16 (15) service area; and

17 (16) legislative district.

18 The disclosure of information pursuant to this subsection
19 shall comply with the Freedom of Information Act.

20 (z) Consistent with the findings and declaration of policy
21 set forth in item (j) of Section 801-5 of this Act, the
22 Authority shall have the power to make loans to the Police
23 Officers' Pension Investment Fund authorized by Section
24 22B-120 of the Illinois Pension Code and to make loans to the
25 Firefighters' Pension Investment Fund authorized by Section
26 22C-120 of the Illinois Pension Code. Notwithstanding anything

1 in this Act to the contrary, loans authorized by Section
2 22B-120 and Section 22C-120 of the Illinois Pension Code may
3 be made from any of the Authority's funds, including, but not
4 limited to, funds in its Illinois Housing Partnership Program
5 Fund, its Industrial Project Insurance Fund, or its Illinois
6 Venture Investment Fund.

7 (Source: P.A. 100-919, eff. 8-17-18; 101-610, eff. 1-1-20.)

8 (20 ILCS 3501/Art. 850 heading new)

9 ARTICLE 850 GENERAL PROVISIONS

10 (20 ILCS 3501/850-5 new)

11 Sec. 850-5. Climate Bank. The General Assembly designates
12 the Authority as the Climate Bank to aid in all respects with
13 providing financial products and programs to finance and
14 otherwise develop and implement clean energy and the provision
15 of clean water, drinking water and wastewater treatment in the
16 State. Nothing in this Section 850-5 shall be deemed to
17 supersede powers and regulatory duties conferred to other
18 State agencies or governmental units.

19 (20 ILCS 3501/850-10 new)

20 Sec. 850-10. Powers and Duties.

21 (a) The Authority shall have the powers enumerated in this
22 Act to assist in the development and implementation of clean
23 energy in the State. The powers enumerated in this Article 850

1 shall in addition to all other powers with respect to clean
2 energy and the provision of clean water, drinking water and
3 wastewater treatment conferred elsewhere in the Act.

4 (b) In its role as the Climate Bank of the State, the
5 Authority shall have the power to (i) finance and otherwise
6 support clean energy projects and investment in the State,
7 including for residential, municipal, small business and
8 larger commercial projects as it may determine, (ii) support
9 and otherwise promote investment in clean energy projects to
10 foster the growth, development and commercialization of clean
11 energy projects and related enterprises, and (iii) stimulate
12 demand for clean energy and the development of clean energy
13 projects within the State.

14 (c) In addition to, and not in limitation of, any other
15 power of the Authority set forth in this Section or any other
16 provisions of the general statutes, the Authority shall have
17 and may exercise the following powers in furtherance of or in
18 carrying out its clean energy powers and purposes:

19 (1) To enter into joint ventures and invest in, and
20 participate with any person, including, without
21 limitation, government entities and private corporations,
22 in the formation, ownership, management and operation of
23 business entities, including stock and nonstock
24 corporations, limited liability companies and general or
25 limited partnerships, formed to advance the purposes of
26 clean energy, provided that members of the Authority or

1 officers may serve as directors, members or officers of
2 any such business entity, and such service shall be deemed
3 to be in the discharge of the duties or within the scope of
4 the employment of any such member or officer, or Authority
5 or officers, as the case may be, so long as such member or
6 officer does not receive any compensation or direct or
7 indirect financial benefit as a result of serving in such
8 role.

9 (2) To do all other acts and things necessary or
10 convenient to carry out the clean energy purposes and
11 powers of the Authority.

12 (3) To utilize funding sources including but not
13 limited to:

14 (A) funds repurposed from existing programs
15 providing financing support for clean energy projects,
16 provided any transfer of funds from such existing
17 programs shall be subject to approval by the General
18 Assembly and shall be used for expenses of financing,
19 grants and loans;

20 (B) any federal funds that can be used for clean
21 energy purposes;

22 (C) charitable gifts, grants, contributions as
23 well as loans from individuals, corporations,
24 university endowments and philanthropic foundations
25 for clean energy projects or for the provision of
26 clean water, drinking water and wastewater treatment;

1 (D) earnings and interest derived from financing
2 support activities for clean energy projects financed
3 by the Authority; and

4 (E) if and to the extent that the Authority
5 qualifies as a Community Development Financial
6 Institution under Section 4702 of the United States
7 Code, funding from the Community Development Financial
8 Institution Fund administered by the United States
9 Department of Treasury, as well as loans from and
10 investments by depository institutions seeking to
11 comply with their obligations under the United States
12 Community Reinvestment Act of 1977.

13 (4) The Authority may enter into contracts with
14 private sources to raise capital.

15 (f) The Authority may finance working capital, refinance
16 outstanding indebtedness of any person, and otherwise assist
17 in the investment of equity from any source, public or
18 private, in connection with a clean energy project.

19 (g) The Authority may assess reasonable fees on its
20 financing activities to cover its reasonable costs and
21 expenses, as determined by it.

22 (h) The Authority shall make information regarding the
23 rates, terms and conditions for all of its financing support
24 transactions available to the public for inspection, including
25 formal annual reviews by both a private auditor and the
26 Comptroller, and providing details to the public on the

1 internet, provided public disclosure shall be restricted for
2 patentable ideas, trade secrets, proprietary or confidential
3 commercial or financial information, disclosure of which may
4 cause commercial harm to a nongovernmental recipient of such
5 financing support and for other information exempt from public
6 records disclosure pursuant to Section 1-210.

7 (20 ILCS 3501/850-15 new)

8 Sec. 850-15. Purposes. In its role as the Climate Bank for
9 the State, the Authority shall consider the following
10 purposes:

11 (a) the equitable distribution of the benefits of clean
12 energy;

13 (b) making clean energy accessible to all through
14 financing opportunities and grants for Minority Business
15 Enterprises, as defined in the Business Enterprise Act, and
16 for low-income communities, environmental justice communities,
17 and the businesses that serve these communities; and

18 (c) accelerating the investment of private capital into
19 clean energy projects in an equitable fashion in order to
20 reflect the geographic, racial, ethnic, gender, and
21 income-level diversity of the State.

22 Section 30-23. The Energy Efficient Building Act is
23 amended by changing Sections 10, 15, 20, 30, and 45 and by
24 adding Section 55 as follows:

1 (20 ILCS 3125/10)

2 Sec. 10. Definitions.

3 "Board" means the Capital Development Board.

4 "Building" includes both residential buildings and
5 commercial buildings.

6 "Code" means the latest published edition of the
7 International Code Council's International Energy Conservation
8 Code as adopted by the Board, including any published
9 supplements adopted by the Board and any amendments and
10 adaptations to the Code that are made by the Board.

11 "Commercial building" means any building except a building
12 that is a residential building, as defined in this Section.

13 "Department" means the Department of Commerce and Economic
14 Opportunity.

15 "Municipality" means any city, village, or incorporated
16 town.

17 "Residential building" means (i) a detached one-family or
18 2-family dwelling or (ii) any building that is 3 stories or
19 less in height above grade that contains multiple dwelling
20 units, in which the occupants reside on a primarily permanent
21 basis, such as a townhouse, a row house, an apartment house, a
22 convent, a monastery, a rectory, a fraternity or sorority
23 house, a dormitory, and a rooming house; provided, however,
24 that when applied to a building located within the boundaries
25 of a municipality having a population of 1,000,000 or more,

1 the term "residential building" means a building containing
2 one or more dwelling units, not exceeding 4 stories above
3 grade, where occupants are primarily permanent.

4 "Site energy index" means a scalar published by the
5 Pacific Northwest National Laboratories representing the ratio
6 of the site energy performance of an evaluated code compared
7 to the site energy performance of the 2006 International
8 Energy Conservation Code. A "site energy index" includes only
9 conservation measures and excludes net energy credit for any
10 on-site or off-site energy production.

11 (Source: P.A. 101-144, eff. 7-26-19.)

12 (20 ILCS 3125/15)

13 Sec. 15. Energy Efficient Building Code. The Board, in
14 consultation with the Department, shall adopt the Code as
15 minimum requirements for commercial buildings, applying to the
16 construction of, renovations to, and additions to all
17 commercial buildings in the State. The Board, in consultation
18 with the Department, shall also adopt the Code as the minimum
19 and maximum requirements for residential buildings, applying
20 to the construction of, renovations to, and additions to all
21 residential buildings in the State, except as provided for in
22 Section 45 of this Act. The Board may appropriately adapt the
23 International Energy Conservation Code to apply to the
24 particular economy, population distribution, geography, and
25 climate of the State and construction therein, consistent with

1 the public policy objectives of this Act.

2 (Source: P.A. 96-778, eff. 8-28-09.)

3 (20 ILCS 3125/20)

4 Sec. 20. Applicability.

5 (a) The Board shall review and adopt the Code within one
6 year after its publication. The Code shall take effect within
7 6 months after it is adopted by the Board, except that,
8 beginning January 1, 2012, the Code adopted in 2012 shall take
9 effect on January 1, 2013. Except as otherwise provided in
10 this Act, the Code shall apply to (i) any new building or
11 structure in this State for which a building permit
12 application is received by a municipality or county and (ii)
13 beginning on the effective date of this amendatory Act of the
14 100th General Assembly, each State facility specified in
15 Section 4.01 of the Capital Development Board Act. In the case
16 of any addition, alteration, renovation, or repair to an
17 existing residential or commercial structure, the Code adopted
18 under this Act applies only to the portions of that structure
19 that are being added, altered, renovated, or repaired. The
20 changes made to this Section by this amendatory Act of the 97th
21 General Assembly shall in no way invalidate or otherwise
22 affect contracts entered into on or before the effective date
23 of this amendatory Act of the 97th General Assembly.

24 (b) The following buildings shall be exempt from the Code:

25 (1) Buildings otherwise exempt from the provisions of

1 a locally adopted building code and buildings that do not
2 contain a conditioned space.

3 (2) Buildings that do not use either electricity or
4 fossil fuel for comfort conditioning. For purposes of
5 determining whether this exemption applies, a building
6 will be presumed to be heated by electricity, even in the
7 absence of equipment used for electric comfort heating,
8 whenever the building is provided with electrical service
9 in excess of 100 amps, unless the code enforcement
10 official determines that this electrical service is
11 necessary for purposes other than providing electric
12 comfort heating.

13 (3) Historic buildings. This exemption shall apply to
14 those buildings that are listed on the National Register
15 of Historic Places or the Illinois Register of Historic
16 Places, and to those buildings that have been designated
17 as historically significant by a local governing body that
18 is authorized to make such designations.

19 (4) (Blank).

20 (5) Other buildings specified as exempt by the
21 International Energy Conservation Code.

22 (c) Additions, alterations, renovations, or repairs to an
23 existing building, building system, or portion thereof shall
24 conform to the provisions of the Code as they relate to new
25 construction without requiring the unaltered portion of the
26 existing building or building system to comply with the Code.

1 The following need not comply with the Code, provided that the
2 energy use of the building is not increased: (i) storm windows
3 installed over existing fenestration, (ii) glass-only
4 replacements in an existing sash and frame, (iii) existing
5 ceiling, wall, or floor cavities exposed during construction,
6 provided that these cavities are filled with insulation, and
7 (iv) construction where the existing roof, wall, or floor is
8 not exposed.

9 (d) A unit of local government that does not regulate
10 energy efficient building standards is not required to adopt,
11 enforce, or administer the Code; however, any energy efficient
12 building standards adopted by a unit of local government must
13 comply with this Act. If a unit of local government does not
14 regulate energy efficient building standards, any
15 construction, renovation, or addition to buildings or
16 structures is subject to the provisions contained in this Act.
17 (Source: P.A. 100-729, eff. 8-3-18.)

18 (20 ILCS 3125/30)

19 Sec. 30. Enforcement. The Board, in consultation with the
20 Department, shall determine procedures for compliance with the
21 Code. These procedures may include but need not be limited to
22 certification by a national, State, or local accredited energy
23 conservation program or inspections from private
24 Code-certified inspectors using the Code. For purposes of the
25 Illinois Stretch Energy Code under Section 55, the Board shall

1 allow and encourage, as an alternative compliance mechanism,
2 project certification by a nationally recognized nonprofit
3 certification organization specializing in high-performance
4 passive buildings and offering climate-specific building
5 energy standards that require equal or better energy
6 performance than the Illinois Stretch Energy Code.

7 (Source: P.A. 93-936, eff. 8-13-04.)

8 (20 ILCS 3125/45)

9 Sec. 45. Home rule.

10 (a) (Blank). ~~No unit of local government, including any~~
11 ~~home rule unit, may regulate energy efficient building~~
12 ~~standards for commercial buildings in a manner that is less~~
13 ~~stringent than the provisions contained in this Act.~~

14 (b) No unit of local government, including any home rule
15 unit, may regulate energy efficient building standards for
16 residential buildings in a manner that is either less or more
17 stringent than the standards established pursuant to this Act;
18 provided, however, that the following entities may regulate
19 energy efficient building standards for residential or
20 commercial buildings in a manner that is more stringent than
21 the provisions contained in this Act: (i) a unit of local
22 government, including a home rule unit, that has, on or before
23 May 15, 2009, adopted or incorporated by reference energy
24 efficient building standards for residential or commercial
25 buildings that are equivalent to or more stringent than the

1 2006 International Energy Conservation Code, (ii) a unit of
2 local government, including a home rule unit, that has, on or
3 before May 15, 2009, provided to the Capital Development
4 Board, as required by Section 10.18 of the Capital Development
5 Board Act, an identification of an energy efficient building
6 code or amendment that is equivalent to or more stringent than
7 the 2006 International Energy Conservation Code, (ii-5) a
8 municipality that has adopted the Illinois Stretch Energy
9 Code, and (iii) a municipality with a population of 1,000,000
10 or more.

11 (c) No unit of local government, including any home rule
12 unit or unit of local government that is subject to State
13 regulation under the Code as provided in Section 15 of this
14 Act, may hereafter enact any annexation ordinance or
15 resolution, or require or enter into any annexation agreement,
16 that imposes energy efficient building standards for
17 residential or commercial buildings that are either less or
18 more stringent than the energy efficiency standards in effect,
19 at the time of construction, throughout the unit of local
20 government, except for the Illinois Stretch Energy Code.

21 (d) This Section is a denial and limitation of home rule
22 powers and functions under subsection (i) of Section 6 of
23 Article VII of the Illinois Constitution on the concurrent
24 exercise by home rule units of powers and functions exercised
25 by the State. Nothing in this Section, however, prevents a
26 unit of local government from adopting an energy efficiency

1 code or standards for commercial buildings that are more
2 stringent than the Code under this Act.

3 (Source: P.A. 99-639, eff. 7-28-16.)

4 (20 ILCS 3125/55 new)

5 Sec. 55. Illinois Stretch Energy Code.

6 (a) The Board, in consultation with the Department, shall
7 create and adopt the Illinois Stretch Energy Code, to allow
8 municipalities and projects authorized or funded by the Board
9 to achieve more energy efficiency in buildings than the
10 Illinois Energy Conservation Code through a consistent pathway
11 across the State. The Illinois Stretch Energy Code shall be
12 available for adoption by any municipality and shall set The
13 Illinois Stretch Energy Code shall be available for adoption
14 by any municipality and shall set minimum energy efficiency
15 requirements, taking the place of the Illinois Energy
16 Conservation Code within any municipality that adopts the
17 Illinois Stretch Energy Code.

18 (b) The Illinois Stretch Energy Code shall have separate
19 components for commercial and residential buildings, which may
20 be adopted by the municipality jointly or separately.

21 (c) The Illinois Stretch Energy Code shall apply to all
22 projects to which an energy conservation code is applicable
23 that are authorized or funded in any part by the Board after
24 January 1, 2023.

25 (d) Development of the Illinois Stretch Energy Code shall

1 be completed and available for adoption by municipalities by
2 December 31, 2022.

3 (e) Consistent with the requirements under paragraph (2.5)
4 of subsection (g) of Section 8-103B of the Public Utilities
5 Act and under paragraph (2) of subsection (j) of Section
6 8-104.1 of the Public Utilities Act, municipalities that adopt
7 the Illinois Stretch Energy Code may use utility programs to
8 support compliance with the Illinois Stretch Energy Code. The
9 amount of savings from such utility efforts that may be
10 counted toward achievement of their cumulative persisting
11 annual savings goals shall be based on reasonable estimates of
12 the increase in savings resulting from the utility efforts,
13 relative to reasonable approximations of what would have
14 occurred absent the utility involvement.

15 (f) The Illinois Stretch Energy Code's residential
16 components shall:

17 (1) apply to residential buildings as defined under
18 Section 10;

19 (2) set performance targets using a site energy index
20 with reductions relative to the 2006 International Energy
21 Conservation Code; and

22 (3) include stretch energy codes with site energy
23 index standards and adoption dates as follows: by no later
24 than December 31, 2022, the Board shall create and adopt a
25 stretch energy code with a site energy index no greater
26 than 0.50 of the 2006 International Energy Conservation

1 Code; by no later than December 31, 2025, the Board shall
2 create and adopt a stretch energy code with a site energy
3 index no greater than 0.40 of the 2006 International
4 Energy Conservation Code, unless the Board identifies
5 unanticipated burdens associated with the stretch energy
6 code adopted in 2022, in which case the Board may adopt a
7 stretch energy code with a site energy index no greater
8 than 0.42 of the 2006 International Energy Conservation
9 Code, provided that the more relaxed standard has a site
10 energy index that is at least 0.05 more restrictive than
11 the 2024 International Energy Conservation Code; by no
12 later than December 31, 2028, the Board shall create and
13 adopt a stretch energy code with a site energy index no
14 greater than 0.33 of the 2006 International Energy
15 Conservation Code, unless the Board identifies
16 unanticipated burdens associated with the stretch energy
17 code adopted in 2025, in which case the Board may adopt a
18 stretch energy code with a site energy index no greater
19 than 0.35 of the 2006 International Energy Conservation
20 Code, but only if that more relaxed standard has a site
21 energy index that is at least 0.05 more restrictive than
22 the 2027 International Energy Conservation Code; and by no
23 later than December 31, 2031, the Board shall create and
24 adopt a stretch energy code with a site energy index no
25 greater than 0.25 of the 2006 International Energy
26 Conservation Code.

1 (g) The Illinois Stretch Energy Code's commercial
2 components shall:

3 (1) apply to commercial buildings as defined under
4 Section 10;

5 (2) set performance targets using a site energy index
6 with reductions relative to the 2006 International Energy
7 Conservation Code; and

8 (3) include stretch energy codes with site energy
9 index standards and adoption dates as follows: by no later
10 than December 31, 2022, the Board shall create and adopt a
11 stretch energy code with a site energy index no greater
12 than 0.60 of the 2006 International Energy Conservation
13 Code; by no later than December 31, 2025, the Board shall
14 create and adopt a stretch energy code with a site energy
15 index no greater than 0.50 of the 2006 International
16 Energy Conservation Code; by no later than December 31,
17 2028, the Board shall create and adopt a stretch energy
18 code with a site energy index no greater than 0.44 of the
19 2006 International Energy Conservation Code; and by no
20 later than December 31, 2031, the Board shall create and
21 adopt a stretch energy code with a site energy index no
22 greater than 0.39 of the 2006 International Energy
23 Conservation Code.

24 (h) The process for the creation of the Illinois Stretch
25 Energy Code includes:

26 (1) within 60 days after the effective date of this

1 amendatory Act of the 102nd General Assembly, the Capital
2 Development Board shall establish an Illinois Stretch
3 Energy Code Task Force to advise and provide technical
4 assistance and recommendations to the Capital Development
5 Board for the Illinois Stretch Energy Code, which shall:

6 (A) advise the Capital Development Board on
7 creation of interim performance targets, code
8 requirements, and an implementation plan for the
9 Illinois Stretch Energy Code;

10 (B) recommend amendments to proposed rules issued
11 by the Capital Development Board;

12 (C) recommend complementary programs or policies;

13 (D) complete recommendations and development for
14 the Illinois Stretch Energy Code elements and
15 requirements by July 31, 2022;

16 (E) be composed of, but not limited to,
17 representatives, or their designees, from the
18 following entities:

19 (i) a representative from a group that
20 represents environmental justice;

21 (ii) a representative of a nonprofit or
22 professional association advocating for the
23 environment;

24 (iii) a representative of an organization
25 representing local governments in the metropolitan
26 Chicago region;

1 (iv) a representative of the City of Chicago;

2 (v) a representative of an organization
3 representing local governments outside the
4 metropolitan Chicago region;

5 (vi) a representative for the investor-owned
6 utilities of Illinois;

7 (vii) an energy-efficiency advocate with
8 technical expertise in single-family residential
9 buildings;

10 (viii) an energy-efficiency advocate with
11 technical expertise in commercial buildings;

12 (ix) an energy-efficiency advocate with
13 technical expertise in multifamily buildings, such
14 as an affordable housing developer;

15 (x) a representative from the architecture or
16 engineering industry;

17 (xi) a representative from a home builders
18 association;

19 (xii) a representative from the commercial
20 building industry;

21 (xiii) a representative of the enforcement
22 industry, such as a code official or energy rater;

23 (xiv) a representative of organized labor; and

24 (xv) other experts or organizations deemed
25 necessary by the Capital Development Board; and

26 (F) be co-chaired by:

1 (i) a representative of the environmental
2 community;

3 (ii) a representative of the environmental
4 justice community; and

5 (iii) a municipal representative.

6 (2) As part of its deliberations, the Illinois Stretch
7 Energy Code Task Force shall actively solicit input from
8 other energy code stakeholders and interested parties.

9 Section 30-25. The Illinois Power Agency Act is amended by
10 changing Sections 1-5, 1-10, 1-35, 1-56, 1-70, 1-75, 1-92, and
11 1-125 and by adding Sections 1-135 and 1-140 as follows:

12 (20 ILCS 3855/1-5)

13 Sec. 1-5. Legislative declarations and findings. The
14 General Assembly finds and declares:

15 (1) The health, welfare, and prosperity of all
16 Illinois citizens require the provision of adequate,
17 reliable, affordable, efficient, and environmentally
18 sustainable electric service at the lowest total cost over
19 time, taking into account any benefits of price stability.

20 (1.5) In order to provide for the highest quality of
21 life for the citizens of Illinois, and to provide for a
22 healthy environment and prosperity for Illinois citizens
23 through a clean energy economy, it is the policy of the
24 State of Illinois to transition to 100% clean energy by

1 2050. For purposes of this Section, "clean energy" means
2 energy generation that is substantially free (90% or
3 greater) of carbon dioxide emissions.

4 (2) (Blank).

5 (3) (Blank).

6 (4) It is necessary to improve the process of
7 procuring electricity to serve Illinois residents, to
8 promote investment in energy efficiency and
9 demand-response measures, and to maintain and support
10 development of clean coal technologies, generation
11 resources that operate at all hours of the day and under
12 all weather conditions, zero emission facilities, and
13 renewable resources.

14 (5) Procuring a diverse electricity supply portfolio
15 will ensure the lowest total cost over time for adequate,
16 reliable, efficient, and environmentally sustainable
17 electric service.

18 (6) Including renewable resources and zero emission
19 credits from zero emission facilities in that portfolio
20 will reduce long-term direct and indirect costs to
21 consumers by decreasing environmental impacts and by
22 avoiding or delaying the need for new generation,
23 transmission, and distribution infrastructure. Developing
24 new renewable energy resources in Illinois, including
25 brownfield solar projects and community solar projects,
26 will help to diversify Illinois electricity supply, avoid

1 and reduce pollution, reduce peak demand, and enhance
2 public health and well-being of Illinois residents.

3 (7) Developing community solar projects in Illinois
4 will help to expand access to renewable energy resources
5 to more Illinois residents.

6 (8) Developing brownfield solar projects in Illinois
7 will help return blighted or contaminated land to
8 productive use while enhancing public health and the
9 well-being of Illinois residents.

10 (9) Energy efficiency, demand-response measures, zero
11 emission energy, and renewable energy are resources
12 currently underused in Illinois. These resources should be
13 used, when cost effective, to reduce costs to consumers,
14 improve reliability, and improve environmental quality and
15 public health.

16 (10) The State should encourage the use of advanced
17 clean coal technologies that capture and sequester carbon
18 dioxide emissions to advance environmental protection
19 goals and to demonstrate the viability of coal and
20 coal-derived fuels in a carbon-constrained economy.

21 (11) The General Assembly enacted Public Act 96-0795
22 to reform the State's purchasing processes, recognizing
23 that government procurement is susceptible to abuse if
24 structural and procedural safeguards are not in place to
25 ensure independence, insulation, oversight, and
26 transparency.

1 (12) The principles that underlie the procurement
2 reform legislation apply also in the context of power
3 purchasing.

4 The General Assembly therefore finds that it is necessary
5 to create the Illinois Power Agency and that the goals and
6 objectives of that Agency are to accomplish each of the
7 following:

8 (A) Develop electricity procurement plans to ensure
9 adequate, reliable, affordable, efficient, and
10 environmentally sustainable electric service at the lowest
11 total cost over time, taking into account any benefits of
12 price stability, for electric utilities that on December
13 31, 2005 provided electric service to at least 100,000
14 customers in Illinois and for small multi-jurisdictional
15 electric utilities that (i) on December 31, 2005 served
16 less than 100,000 customers in Illinois and (ii) request a
17 procurement plan for their Illinois jurisdictional load.
18 The procurement plan shall be updated on an annual basis
19 and shall include renewable energy resources and,
20 beginning with the delivery year commencing June 1, 2017,
21 zero emission credits from zero emission facilities
22 sufficient to achieve the standards specified in this Act.

23 (B) Conduct the competitive procurement processes
24 identified in this Act.

25 (C) Develop electric generation and co-generation
26 facilities that use indigenous coal or renewable

1 resources, or both, financed with bonds issued by the
2 Illinois Finance Authority.

3 (D) Supply electricity from the Agency's facilities at
4 cost to one or more of the following: municipal electric
5 systems, governmental aggregators, or rural electric
6 cooperatives in Illinois.

7 (E) Ensure that the process of power procurement is
8 conducted in an ethical and transparent fashion, immune
9 from improper influence.

10 (F) Continue to review its policies and practices to
11 determine how best to meet its mission of providing the
12 lowest cost power to the greatest number of people, at any
13 given point in time, in accordance with applicable law.

14 (G) Operate in a structurally insulated, independent,
15 and transparent fashion so that nothing impedes the
16 Agency's mission to secure power at the best prices the
17 market will bear, provided that the Agency meets all
18 applicable legal requirements.

19 (H) Implement renewable energy procurement and
20 training programs throughout the State to diversify
21 Illinois electricity supply, improve reliability, avoid
22 and reduce pollution, reduce peak demand, and enhance
23 public health and well-being of Illinois residents,
24 including low-income residents.

25 (Source: P.A. 99-906, eff. 6-1-17.)

1 (20 ILCS 3855/1-10)

2 Sec. 1-10. Definitions.

3 "Agency" means the Illinois Power Agency.

4 "Agency loan agreement" means any agreement pursuant to
5 which the Illinois Finance Authority agrees to loan the
6 proceeds of revenue bonds issued with respect to a project to
7 the Agency upon terms providing for loan repayment
8 installments at least sufficient to pay when due all principal
9 of, interest and premium, if any, on those revenue bonds, and
10 providing for maintenance, insurance, and other matters in
11 respect of the project.

12 "Authority" means the Illinois Finance Authority.

13 ~~"Brownfield site photovoltaic project" means photovoltaics~~
14 ~~that are:~~

15 ~~(1) interconnected to an electric utility as defined~~
16 ~~in this Section, a municipal utility as defined in this~~
17 ~~Section, a public utility as defined in Section 3-105 of~~
18 ~~the Public Utilities Act, or an electric cooperative, as~~
19 ~~defined in Section 3-119 of the Public Utilities Act; and~~

20 ~~(2) located at a site that is regulated by any of the~~
21 ~~following entities under the following programs:~~

22 ~~(A) the United States Environmental Protection~~
23 ~~Agency under the federal Comprehensive Environmental~~
24 ~~Response, Compensation, and Liability Act of 1980, as~~
25 ~~amended;~~

26 ~~(B) the United States Environmental Protection~~

1 ~~Agency under the Corrective Action Program of the~~
2 ~~federal Resource Conservation and Recovery Act, as~~
3 ~~amended;~~

4 ~~(C) the Illinois Environmental Protection Agency~~
5 ~~under the Illinois Site Remediation Program; or~~

6 ~~(D) the Illinois Environmental Protection Agency~~
7 ~~under the Illinois Solid Waste Program.~~

8 "Clean coal facility" means an electric generating
9 facility that uses primarily coal as a feedstock and that
10 captures and sequesters carbon dioxide emissions at the
11 following levels: at least 50% of the total carbon dioxide
12 emissions that the facility would otherwise emit if, at the
13 time construction commences, the facility is scheduled to
14 commence operation before 2016, at least 70% of the total
15 carbon dioxide emissions that the facility would otherwise
16 emit if, at the time construction commences, the facility is
17 scheduled to commence operation during 2016 or 2017, and at
18 least 90% of the total carbon dioxide emissions that the
19 facility would otherwise emit if, at the time construction
20 commences, the facility is scheduled to commence operation
21 after 2017. The power block of the clean coal facility shall
22 not exceed allowable emission rates for sulfur dioxide,
23 nitrogen oxides, carbon monoxide, particulates and mercury for
24 a natural gas-fired combined-cycle facility the same size as
25 and in the same location as the clean coal facility at the time
26 the clean coal facility obtains an approved air permit. All

1 coal used by a clean coal facility shall have high volatile
2 bituminous rank and greater than 1.7 pounds of sulfur per
3 million btu content, unless the clean coal facility does not
4 use gasification technology and was operating as a
5 conventional coal-fired electric generating facility on June
6 1, 2009 (the effective date of Public Act 95-1027).

7 "Clean coal SNG brownfield facility" means a facility that
8 (1) has commenced construction by July 1, 2015 on an urban
9 brownfield site in a municipality with at least 1,000,000
10 residents; (2) uses a gasification process to produce
11 substitute natural gas; (3) uses coal as at least 50% of the
12 total feedstock over the term of any sourcing agreement with a
13 utility and the remainder of the feedstock may be either
14 petroleum coke or coal, with all such coal having a high
15 bituminous rank and greater than 1.7 pounds of sulfur per
16 million Btu content unless the facility reasonably determines
17 that it is necessary to use additional petroleum coke to
18 deliver additional consumer savings, in which case the
19 facility shall use coal for at least 35% of the total feedstock
20 over the term of any sourcing agreement; and (4) captures and
21 sequesters at least 85% of the total carbon dioxide emissions
22 that the facility would otherwise emit.

23 "Clean coal SNG facility" means a facility that uses a
24 gasification process to produce substitute natural gas, that
25 sequesters at least 90% of the total carbon dioxide emissions
26 that the facility would otherwise emit, that uses at least 90%

1 coal as a feedstock, with all such coal having a high
2 bituminous rank and greater than 1.7 pounds of sulfur per
3 million btu content, and that has a valid and effective permit
4 to construct emission sources and air pollution control
5 equipment and approval with respect to the federal regulations
6 for Prevention of Significant Deterioration of Air Quality
7 (PSD) for the plant pursuant to the federal Clean Air Act;
8 provided, however, a clean coal SNG brownfield facility shall
9 not be a clean coal SNG facility.

10 "Commission" means the Illinois Commerce Commission.

11 "Community renewable generation project" means an electric
12 generating facility that:

13 (1) is powered by wind, solar thermal energy,
14 photovoltaic cells or panels, biodiesel, crops and
15 untreated and unadulterated organic waste biomass, ~~tree~~
16 ~~waste,~~ and hydropower that does not involve new
17 construction or significant expansion of hydropower dams;

18 (2) is interconnected at the distribution system level
19 of an electric utility as defined in this Section, a
20 municipal utility as defined in this Section that owns or
21 operates electric distribution facilities, a public
22 utility as defined in Section 3-105 of the Public
23 Utilities Act, or an electric cooperative, as defined in
24 Section 3-119 of the Public Utilities Act;

25 (3) credits the value of electricity generated by the
26 facility to the subscribers of the facility; and

1 (4) is limited in nameplate capacity to less than or
2 equal to 10,000 ~~2,000~~ kilowatts.

3 "Costs incurred in connection with the development and
4 construction of a facility" means:

5 (1) the cost of acquisition of all real property,
6 fixtures, and improvements in connection therewith and
7 equipment, personal property, and other property, rights,
8 and easements acquired that are deemed necessary for the
9 operation and maintenance of the facility;

10 (2) financing costs with respect to bonds, notes, and
11 other evidences of indebtedness of the Agency;

12 (3) all origination, commitment, utilization,
13 facility, placement, underwriting, syndication, credit
14 enhancement, and rating agency fees;

15 (4) engineering, design, procurement, consulting,
16 legal, accounting, title insurance, survey, appraisal,
17 escrow, trustee, collateral agency, interest rate hedging,
18 interest rate swap, capitalized interest, contingency, as
19 required by lenders, and other financing costs, and other
20 expenses for professional services; and

21 (5) the costs of plans, specifications, site study and
22 investigation, installation, surveys, other Agency costs
23 and estimates of costs, and other expenses necessary or
24 incidental to determining the feasibility of any project,
25 together with such other expenses as may be necessary or
26 incidental to the financing, insuring, acquisition, and

1 construction of a specific project and starting up,
2 commissioning, and placing that project in operation.

3 "Delivery services" has the same definition as found in
4 Section 16-102 of the Public Utilities Act.

5 "Delivery year" means the consecutive 12-month period
6 beginning June 1 of a given year and ending May 31 of the
7 following year.

8 "Department" means the Department of Commerce and Economic
9 Opportunity.

10 "Director" means the Director of the Illinois Power
11 Agency.

12 "Demand-response" means measures that decrease peak
13 electricity demand or shift demand from peak to off-peak
14 periods.

15 "Distributed renewable energy generation device" means a
16 device that is:

17 (1) powered by wind, solar thermal energy,
18 photovoltaic cells or panels, biodiesel, crops and
19 untreated and unadulterated organic waste biomass, ~~tree~~
20 ~~waste,~~ and hydropower that does not involve new
21 construction or significant expansion of hydropower dams,
22 waste heat to power systems, or qualified combined heat
23 and power systems;

24 (2) interconnected at the distribution system level of
25 either an electric utility as defined in this Section, a
26 municipal utility as defined in this Section that owns or

1 operates electric distribution facilities, or a rural
2 electric cooperative as defined in Section 3-119 of the
3 Public Utilities Act; and

4 (3) located on the customer side of the customer's
5 electric meter and is primarily used to offset that
6 customer's electricity load. ~~and~~

7 ~~(4) limited in nameplate capacity to less than or~~
8 ~~equal to 2,000 kilowatts.~~

9 "Energy efficiency" means measures that reduce the amount
10 of electricity or natural gas consumed in order to achieve a
11 given end use. "Energy efficiency" includes voltage
12 optimization measures that optimize the voltage at points on
13 the electric distribution voltage system and thereby reduce
14 electricity consumption by electric customers' end use
15 devices. "Energy efficiency" also includes measures that
16 reduce the total Btus of electricity, natural gas, and other
17 fuels needed to meet the end use or uses.

18 "Electric utility" has the same definition as found in
19 Section 16-102 of the Public Utilities Act.

20 "Facility" means an electric generating unit or a
21 co-generating unit that produces electricity along with
22 related equipment necessary to connect the facility to an
23 electric transmission or distribution system.

24 "Governmental aggregator" means one or more units of local
25 government that individually or collectively procure
26 electricity to serve residential retail electrical loads

1 located within its or their jurisdiction.

2 "Index Price" means the real-time settlement price at the
3 applicable Illinois trading hub, such as PJM-NIHUB or MISO-IL,
4 for a given settlement period.

5 "Indexed REC Buyer" means as public utility that serves as
6 a Buyer under a REC delivery contract executed pursuant to
7 item (v) of subparagraph (G) of paragraph (1) of subsection
8 (c) of Section 1-75 of this Act.

9 "Indexed renewable energy credit" or "Indexed REC" means a
10 renewable energy credit featuring a purchase price calculated
11 by subtracting the strike price originally offered by a new
12 utility scale wind project or a new utility scale photovoltaic
13 project from the index price in a given settlement period.

14 "Local government" means a unit of local government as
15 defined in Section 1 of Article VII of the Illinois
16 Constitution.

17 "Municipality" means a city, village, or incorporated
18 town.

19 "Municipal utility" means a public utility owned and
20 operated by any subdivision or municipal corporation of this
21 State.

22 "Nameplate capacity" means the aggregate inverter
23 nameplate capacity in kilowatts AC.

24 "Person" means any natural person, firm, partnership,
25 corporation, either domestic or foreign, company, association,
26 limited liability company, joint stock company, or association

1 and includes any trustee, receiver, assignee, or personal
2 representative thereof.

3 "Project" means the planning, bidding, and construction of
4 a facility.

5 "Public utility" has the same definition as found in
6 Section 3-105 of the Public Utilities Act.

7 "Qualified combined heat and power systems" means systems
8 that, either simultaneously or sequentially, produce
9 electricity and useful thermal energy from a single fuel
10 source. Such systems are eligible for renewable energy credits
11 in an amount equal to their total energy output (electric and
12 thermal) where a renewable fuel is consumed or, where a
13 non-renewable fuel is consumed, a percent equal to the
14 displaced fuel use and CO₂ emissions attributable to the
15 operation of the combined heat and power system as calculated
16 based on the United States Environmental Protection Agency's
17 fuel and carbon dioxide emissions savings calculation
18 methodology for combined heat and power systems.

19 "Real property" means any interest in land together with
20 all structures, fixtures, and improvements thereon, including
21 lands under water and riparian rights, any easements,
22 covenants, licenses, leases, rights-of-way, uses, and other
23 interests, together with any liens, judgments, mortgages, or
24 other claims or security interests related to real property.

25 "Renewable energy credit" or "REC" means a tradable credit
26 that represents the environmental attributes of one megawatt

1 hour of energy produced from a renewable energy resource.

2 "Renewable energy resources" includes energy and its
3 associated renewable energy credit or renewable energy credits
4 from wind, solar thermal energy, photovoltaic cells and
5 panels, biodiesel, anaerobic digestion, crops and untreated
6 and unadulterated organic waste biomass, ~~tree waste,~~ and
7 hydropower that does not involve new construction or
8 significant expansion of hydropower dams, waste heat to power
9 systems, or qualified combined heat and power systems. For
10 purposes of this Act, landfill gas produced in the State is
11 considered a renewable energy resource. "Renewable energy
12 resources" does not include the incineration or burning of
13 tires, garbage, general household, institutional, and
14 commercial waste, industrial lunchroom or office waste,
15 landscape waste other than tree waste, railroad crossties,
16 utility poles, or construction or demolition debris, other
17 than untreated and unadulterated waste wood.

18 "Retail customer" has the same definition as found in
19 Section 16-102 of the Public Utilities Act.

20 "Revenue bond" means any bond, note, or other evidence of
21 indebtedness issued by the Authority, the principal and
22 interest of which is payable solely from revenues or income
23 derived from any project or activity of the Agency.

24 "Sequester" means permanent storage of carbon dioxide by
25 injecting it into a saline aquifer, a depleted gas reservoir,
26 or an oil reservoir, directly or through an enhanced oil

1 recovery process that may involve intermediate storage,
2 regardless of whether these activities are conducted by a
3 clean coal facility, a clean coal SNG facility, a clean coal
4 SNG brownfield facility, or a party with which a clean coal
5 facility, clean coal SNG facility, or clean coal SNG
6 brownfield facility has contracted for such purposes.

7 "Service area" has the same definition as found in Section
8 16-102 of the Public Utilities Act.

9 "Settlement period" means the period of time utilized by
10 MISO, PJM, and their successor organizations as the basis for
11 settlement calculations in the real-time market.

12 "Sourcing agreement" means (i) in the case of an electric
13 utility, an agreement between the owner of a clean coal
14 facility and such electric utility, which agreement shall have
15 terms and conditions meeting the requirements of paragraph (3)
16 of subsection (d) of Section 1-75, (ii) in the case of an
17 alternative retail electric supplier, an agreement between the
18 owner of a clean coal facility and such alternative retail
19 electric supplier, which agreement shall have terms and
20 conditions meeting the requirements of Section 16-115(d) (5) of
21 the Public Utilities Act, and (iii) in case of a gas utility,
22 an agreement between the owner of a clean coal SNG brownfield
23 facility and the gas utility, which agreement shall have the
24 terms and conditions meeting the requirements of subsection
25 (h-1) of Section 9-220 of the Public Utilities Act.

26 "Strike price" means a contract price for energy and

1 renewable energy credits from a new utility-scale wind project
2 or a new utility-scale photovoltaic project.

3 "Subscriber" means a person who (i) takes delivery service
4 from an electric utility, and (ii) has a subscription of no
5 less than 200 watts to a community renewable generation
6 project that is located in the electric utility's service
7 area. No subscriber's subscriptions may total more than 40% of
8 the nameplate capacity of an individual community renewable
9 generation project. Entities that are affiliated by virtue of
10 a common parent shall not represent multiple subscriptions
11 that total more than 40% of the nameplate capacity of an
12 individual community renewable generation project.

13 "Subscription" means an interest in a community renewable
14 generation project expressed in kilowatts, which is sized
15 primarily to offset part or all of the subscriber's
16 electricity usage.

17 "Substitute natural gas" or "SNG" means a gas manufactured
18 by gasification of hydrocarbon feedstock, which is
19 substantially interchangeable in use and distribution with
20 conventional natural gas.

21 "Total resource cost test" or "TRC test" means a standard
22 that is met if, for an investment in energy efficiency or
23 demand-response measures, the benefit-cost ratio is greater
24 than one. The benefit-cost ratio is the ratio of the net
25 present value of the total benefits of the program to the net
26 present value of the total costs as calculated over the

1 lifetime of the measures. A total resource cost test compares
2 the sum of avoided electric utility costs, representing the
3 benefits that accrue to the system and the participant in the
4 delivery of those efficiency measures and including avoided
5 costs associated with reduced use of natural gas or other
6 fuels, avoided costs associated with reduced water
7 consumption, and avoided costs associated with reduced
8 operation and maintenance costs, as well as other quantifiable
9 societal benefits, to the sum of all incremental costs of
10 end-use measures that are implemented due to the program
11 (including both utility and participant contributions), plus
12 costs to administer, deliver, and evaluate each demand-side
13 program, to quantify the net savings obtained by substituting
14 the demand-side program for supply resources. In calculating
15 avoided costs of power and energy that an electric utility
16 would otherwise have had to acquire, reasonable estimates
17 shall be included of financial costs likely to be imposed by
18 future regulations and legislation on emissions of greenhouse
19 gases. In discounting future societal costs and benefits for
20 the purpose of calculating net present values, a societal
21 discount rate based on actual, long-term Treasury bond yields
22 should be used. Notwithstanding anything to the contrary, the
23 TRC test shall not include or take into account a calculation
24 of market price suppression effects or demand reduction
25 induced price effects.

26 "Utility-scale solar project" means an electric generating

1 facility that:

2 (1) generates electricity using photovoltaic cells;

3 and

4 (2) has a nameplate capacity that is greater than

5 10,000 ~~2,000~~ kilowatts.

6 "Utility-scale wind project" means an electric generating
7 facility that:

8 (1) generates electricity using wind; and

9 (2) has a nameplate capacity that is greater than

10 10,000 ~~2,000~~ kilowatts.

11 "Waste heat to power systems" means systems that capture
12 and generate electricity from energy that would otherwise be
13 lost to the atmosphere without the use of additional fuel.

14 "Zero emission credit" means a tradable credit that
15 represents the environmental attributes of one megawatt hour
16 of energy produced from a zero emission facility.

17 "Zero emission facility" means a facility that: (1) is
18 fueled by nuclear power; and (2) is interconnected with PJM
19 Interconnection, LLC or the Midcontinent Independent System
20 Operator, Inc., or their successors.

21 (Source: P.A. 98-90, eff. 7-15-13; 99-906, eff. 6-1-17.)

22 (20 ILCS 3855/1-35)

23 Sec. 1-35. Agency rules. The Agency shall adopt rules as
24 may be necessary and appropriate for the operation of the
25 Agency. In addition to other rules relevant to the operation

1 of the Agency, the Agency shall adopt rules that accomplish
2 each of the following:

3 (1) Establish procedures for monitoring the
4 administration of any contract administered directly or
5 indirectly by the Agency; except that the procedures shall
6 not extend to executed contracts between electric
7 utilities and their suppliers.

8 (2) If deemed necessary by the Agency, establish
9 ~~Establish~~ procedures for the recovery of costs incurred in
10 connection with the development and construction of a
11 facility should the Agency cancel a project, provided that
12 no such costs shall be passed on to public utilities or
13 their customers or paid from the Illinois Power Agency
14 Operations Fund.

15 (3) Implement accounting rules and a system of
16 accounts, in accordance with State law, permitting all
17 reporting (i) required by the State, (ii) required under
18 this Act, (iii) required by the Authority, or (iv)
19 required under the Public Utilities Act.

20 The Agency shall not adopt any rules that infringe upon
21 the authority granted to the Commission.

22 (Source: P.A. 95-481, eff. 8-28-07.)

23 (20 ILCS 3855/1-56)

24 Sec. 1-56. Illinois Power Agency Renewable Energy
25 Resources Fund; Illinois Solar for All Program.

1 (a) The Illinois Power Agency Renewable Energy Resources
2 Fund is created as a special fund in the State treasury.

3 (b) The Illinois Power Agency Renewable Energy Resources
4 Fund shall be administered by the Agency as described in this
5 subsection (b), provided that the changes to this subsection
6 (b) made by this amendatory Act of the 99th General Assembly
7 shall not interfere with existing contracts under this
8 Section.

9 (1) The Illinois Power Agency Renewable Energy
10 Resources Fund shall be used to purchase renewable energy
11 credits according to any approved procurement plan
12 developed by the Agency prior to June 1, 2017.

13 (2) The Illinois Power Agency Renewable Energy
14 Resources Fund shall also be used to create the Illinois
15 Solar for All Program, which provides ~~shall include~~
16 incentives for low-income distributed generation and
17 community solar projects and other qualifying projects and
18 initiatives, and other associated approved expenditures
19 made in connection with the Illinois Solar for All
20 Program. The objectives of the Illinois Solar for All
21 Program are to bring photovoltaics to low-income
22 communities, nonprofit facilities, and public facilities
23 in this State in an effort ~~a manner that maximizes the~~
24 ~~development of new photovoltaic generating facilities,~~ to
25 create a long-term, low-income solar marketplace. The
26 Illinois Solar for All Program shall be implemented in a

1 manner that seeks to minimize administrative costs, and
2 maximize efficiencies and synergies available through
3 coordination with similar initiatives, including the
4 Adjustable Block Program described in subparagraphs (K)
5 through (M) of paragraph (1) of subsection (c) of Section
6 1-75, energy efficiency programs, job training programs,
7 and community action agencies throughout this State, to
8 integrate, through interaction with stakeholders, with
9 existing energy efficiency initiatives, and to minimize
10 administrative costs. The Illinois Solar for All Program
11 shall be implemented to ensure that the physical location
12 of all supported projects features geographic and
13 demographic diversity, and that participating projects are
14 not concentrated only in select areas. The Agency shall
15 include a description of its proposed approach to the
16 design, administration, implementation and evaluation of
17 the Illinois Solar for All Program, as part of the
18 long-term renewable resources procurement plan authorized
19 by subsection (c) of Section 1-75 of this Act, and the
20 program shall be designed to grow the low-income solar
21 market. To incentivize the development of applicant
22 projects, the ~~The~~ Agency or electric utility, as
23 applicable, shall purchase renewable energy credits from
24 participating photovoltaic projects under contracts
25 subject to approval of the Illinois Commerce Commission as
26 required by subparagraph (iii) of paragraph (5) of

1 subsection (b) of Section 16-111.5 of the Public Utilities
2 Act ~~the (i) photovoltaic distributed renewable energy~~
3 ~~generation projects and (ii) community solar projects that~~
4 ~~are procured under procurement processes authorized by the~~
5 ~~long term renewable resources procurement plans approved~~
6 ~~by the Commission.~~

7 The Illinois Solar for All Program shall include the
8 program offerings described in subparagraphs (A) through
9 (E) ~~(D)~~ of this paragraph (2), which the Agency shall
10 implement through renewable energy credit delivery
11 contracts with program participants ~~third-party providers~~
12 and, subject to appropriation, pay the approximate amounts
13 identified using monies available in the Illinois Power
14 Agency Renewable Energy Resources Fund. Each contract that
15 provides for the installation of solar facilities shall
16 provide that the solar facilities will produce energy and
17 economic benefits, at a level determined by the Agency to
18 be reasonable, for the participating low income customers.
19 The monies available in the Illinois Power Agency
20 Renewable Energy Resources Fund and not otherwise
21 committed to contracts executed under subsection (i) of
22 this Section, as well as funding authorized pursuant to
23 Section 1-75(c)(1)(0) of this Act, shall initially be
24 allocated among the programs described in this paragraph
25 (2), as follows: 40% ~~22.5%~~ of these funds shall be
26 allocated to programs described in subparagraph (A) of

1 this paragraph (2), 40% ~~37.5%~~ of these funds shall be
2 allocated to programs described in subparagraph (B) of
3 this paragraph (2), 20% ~~15%~~ of these funds shall be
4 allocated to programs described in subparagraph (C) of
5 this paragraph (2) and no more than \$20 million, ~~and 25% of~~
6 ~~these funds, but in no event more than \$50,000,000,~~ shall
7 be allocated to programs described in subparagraph (D) of
8 this paragraph (2). The allocation of funds among
9 subparagraphs (A), (B), ~~or~~ (C), and (D) of this paragraph
10 (2) may be changed if the Agency, after receiving input
11 through a stakeholder process, ~~or administrator, through~~
12 ~~delegated authority,~~ determines incentives in
13 subparagraphs (A), (B), ~~or~~ (C), or (D) of this paragraph
14 (2) have not been or unlikely to be adequately subscribed
15 to fully utilize available Illinois Solar for All Program
16 Funds ~~the Illinois Power Agency Renewable Energy Resources~~
17 ~~Fund. The determination shall include input through a~~
18 ~~stakeholder process. The program offerings described in~~
19 ~~subparagraphs (A) through (D) of this paragraph (2) shall~~
20 ~~also be implemented through contracts funded from such~~
21 ~~additional amounts as are allocated to one or more of the~~
22 ~~programs in the long term renewable resources procurement~~
23 ~~plans as specified in subsection (c) of Section 1-75 of~~
24 ~~this Act and subparagraph (O) of paragraph (1) of such~~
25 ~~subsection (c).~~

26 Contracts ~~that will be~~ paid with funds in the Illinois

1 Power Agency Renewable Energy Resources Fund shall be
2 executed by the Agency. Contracts ~~that will be~~ paid with
3 funds collected by an electric utility shall be executed
4 by the electric utility.

5 Contracts under the Illinois Solar for All Program
6 shall include an approach, to be set ~~as set~~ forth in the
7 long-term renewable resources procurement plans, to ensure
8 the wholesale market value of the energy is credited to
9 participating low-income customers or organizations and to
10 ensure tangible economic benefits flow directly to program
11 participants, except in the case of low-income
12 multi-family housing where the low-income customer does
13 not directly pay for energy. Priority shall be given to
14 projects that demonstrate meaningful involvement of
15 low-income community members in designing the initial
16 proposals. Acceptable proposals to implement projects must
17 demonstrate the applicant's ability to conduct initial
18 community outreach, education, and recruitment of
19 low-income participants in the community. Projects must
20 include job training opportunities if available, with the
21 specific level of trainee usage to be determined through
22 the Agency's long-term renewable resources procurement
23 plan, and the Illinois Solar for All Program Administrator
24 shall ~~endeavor to~~ coordinate with the administrator of job
25 training programs described in paragraph (1) of subsection
26 (a) of Section 16-108.12 of the Public Utilities Act to

1 help ensure that program participants can be connected
2 with the graduates of these and other job training
3 programs.

4 (A) Low-income distributed generation incentive.

5 This program will provide incentives to projects
6 benefiting low-income customers, ~~either directly or~~
7 ~~through solar providers,~~ to increase the participation
8 of low-income households in photovoltaic on-site
9 distributed generation. ~~Companies participating in~~
10 ~~this program that install solar panels shall commit to~~
11 ~~hiring job trainees for a portion of their low income~~
12 ~~installations, and an administrator shall facilitate~~
13 ~~partnering the companies that install solar panels~~
14 ~~with entities that provide solar panel installation~~
15 ~~job training.~~ It is a goal of this program that a
16 minimum of 25% of the incentives for this program be
17 allocated to projects located within environmental
18 justice communities. 40% of the incentives for this
19 program shall be allocated to projects that are 1-4
20 unit residential facilities, although the Agency may
21 consider a standalone program for residential
22 facilities as provided for in paragraph (2). ~~Contracts~~
23 ~~entered into under this paragraph may be entered into~~
24 ~~with an entity that will develop and administer the~~
25 ~~program and shall also include contracts for renewable~~
26 ~~energy credits from the photovoltaic distributed~~

1 ~~generation that is the subject of the program, as set~~
2 ~~forth in the long-term renewable resources procurement~~
3 ~~plan.~~

4 (B) Low-Income Community Solar Project Initiative.
5 Incentives shall be offered ~~to low income customers,~~
6 ~~either directly or through developers,~~ to increase the
7 participation of low-income subscribers of community
8 solar projects. The developer of each project shall
9 identify its partnership with community stakeholders
10 regarding the location, development, and participation
11 in the project, provided that nothing shall preclude a
12 project from including an anchor tenant that does not
13 qualify as low-income. Incentives should also be
14 offered to community solar projects that are 100%
15 low-income subscriber owned, which includes low-income
16 households, not-for-profit organizations, and
17 affordable housing owners. It is a goal of this
18 program that a minimum of 25% of the incentives for
19 this program be allocated to community photovoltaic
20 projects in environmental justice communities.
21 ~~Contracts entered into under this paragraph may be~~
22 ~~entered into with developers and shall also include~~
23 ~~contracts for renewable energy credits related to the~~
24 ~~program.~~

25 (C) Incentives for non-profits and public
26 facilities. Under this program funds shall be used to

1 support on-site photovoltaic distributed renewable
2 energy generation devices to serve the load associated
3 with not-for-profit customers and to support
4 photovoltaic distributed renewable energy generation
5 that uses photovoltaic technology to serve the load
6 associated with public sector customers taking service
7 at public buildings. To be eligible for these
8 incentives, the applicable facility of that
9 not-for-profit or public sector customer must provide
10 services that primarily serve low-income customers. It
11 is a goal of this program that at least 25% of the
12 incentives for this program be allocated to projects
13 located in environmental justice communities.
14 Contracts entered into under this paragraph may be
15 entered into with an entity that will develop and
16 administer the program or with developers and shall
17 also include contracts for renewable energy credits
18 related to the program. Participants may combine
19 incentive funding available through the Illinois Solar
20 for All Program with funding available through other
21 initiatives, including federal tax credits if such
22 credits are available, but the Agency may adjust
23 renewable energy credit prices applicable to projects
24 benefiting from such funding to reflect offset costs.

25 (D) Low-Income Community Solar Pilot Projects.

26 Under this program, persons, including, but not

1 limited to, electric utilities, shall propose pilot
2 community solar projects. Community solar projects
3 proposed under this subparagraph (D) may exceed 2,000
4 kilowatts in nameplate capacity, but the amount paid
5 per project under this program may not exceed
6 \$20,000,000. Pilot projects must result in economic
7 benefits for the members of the community in which the
8 project will be located. The proposed pilot project
9 must include a partnership with at least one
10 community-based organization. Approved pilot projects
11 shall be competitively bid by the Agency, subject to
12 fair and equitable guidelines developed by the Agency.
13 Funding available under this subparagraph (D) may not
14 be distributed solely to a utility, and at least some
15 funds under this subparagraph (D) must include a
16 project partnership that includes community ownership
17 by the project subscribers. Contracts entered into
18 under this paragraph may be entered into with an
19 entity that will develop and administer the program or
20 with developers and shall also include contracts for
21 renewable energy credits related to the program. A
22 project proposed by a utility that is implemented
23 under this subparagraph (D) shall not be included in
24 the utility's ratebase.

25 ~~The requirement that a qualified person, as defined in~~
26 ~~paragraph (1) of subsection (i) of this Section, install~~

1 ~~photovoltaic devices does not apply to the Illinois Solar~~
2 ~~for All Program described in this subsection (b).~~

3 In addition to the programs outlined in paragraphs (A)
4 through (D), the Agency and other parties may propose
5 additional programs through the Long-Term Renewable
6 Resources Procurement Plan developed and approved under
7 paragraph (5) of subsection (b) of Section 16-111.5 of the
8 Public Utilities Act. Additional programs may target
9 market segments not specified above and may also include
10 incentives targeted to increase the uptake of
11 non-photovoltaic technologies by low-income customers,
12 including energy storage paired with photovoltaics, if the
13 Commission determines that the Illinois Solar for All
14 Program would provide greater benefits to the public
15 health and well-being of low-income residents through also
16 supporting that additional program versus supporting
17 programs already authorized.

18 (3) Costs associated with the Illinois Solar for All
19 Program and its components described in paragraph (2) of
20 this subsection (b), including, but not limited to, costs
21 associated with procuring experts, consultants, and the
22 program administrator referenced in this subsection (b)
23 and related incremental costs, including costs related to
24 income verification and facilitating customer
25 participation in the program and costs related to the
26 evaluation of the Illinois Solar for All Program, may be

1 paid for using monies in the Illinois Power Agency
2 Renewable Energy Resources Fund and funds allocated
3 pursuant to subparagraph (O) of paragraph (1) of
4 subsection (c) of Section 1-75, but the Agency ~~or program~~
5 ~~administrator~~ shall strive to minimize costs in the
6 implementation of the program. The Agency or contracting
7 electric utility shall purchase renewable energy credits
8 from generation that is the subject of a contract under
9 subparagraphs (A) through (D) of this paragraph (2) of
10 this subsection (b), and may pay for such renewable energy
11 credits through an upfront payment per installed kilowatt
12 of nameplate capacity paid once the device is
13 interconnected at the distribution system level of the
14 interconnecting utility and verified as ~~and is~~ energized
15 by the Program Administrator. Payments for renewable
16 energy credits ~~The payment~~ shall be in exchange for ~~an~~
17 ~~assignment of~~ all renewable energy credits generated by
18 the participating project system during the first 15 years
19 of its operation and shall be structured to overcome
20 barriers to participation in the solar market by the
21 low-income community. The incentives provided for in this
22 Section may be implemented through the pricing of
23 renewable energy credits where the prices paid for the
24 credits are higher than the prices from programs offered
25 under subsection (c) of Section 1-75 of this Act to
26 account for the additional capital necessary to

1 successfully access targeted market segments incentives.
2 ~~The Agency shall ensure collaboration with community~~
3 ~~agencies, and allocate up to 5% of the funds available~~
4 ~~under the Illinois Solar for All Program to~~
5 ~~community based groups to assist in grassroots education~~
6 ~~efforts related to the Illinois Solar for All Program.~~ The
7 Agency or contracting electric utility shall retire any
8 renewable energy credits purchased under ~~from~~ this program
9 and the credits shall count towards the obligation under
10 subsection (c) of Section 1-75 of this Act for the
11 electric utility to which the project is interconnected,
12 if applicable.

13 The Agency shall direct 5% of the funds available
14 under the Illinois Solar for All Program to
15 community-based groups and other qualifying organizations
16 to assist in community-driven education efforts related to
17 the Illinois Solar for All Program, including general
18 energy education, job training program outreach efforts,
19 and other activities deemed to be qualified by the Agency.
20 Grassroots education funding shall not be used to support
21 the marketing by solar project development firms and
22 organizations, unless such education provides equal
23 opportunities for all applicable firms and organizations.

24 (4) The Agency shall, consistent with the requirements
25 of this subsection (b), propose the Illinois Solar for All
26 Program terms, conditions, and requirements, including the

1 prices to be paid for renewable energy credits and
2 requirements applicable to participating entities and
3 project applications, and which prices may be determined
4 ~~through a formula,~~ through the development, review, and
5 approval of the Agency's long-term renewable resources
6 procurement plan described in subsection (c) of Section
7 1-75 of this Act and Section 16-111.5 of the Public
8 Utilities Act. Renewable energy credit prices may be fixed
9 or determined through a formula. In the course of the
10 Commission proceeding initiated to review and approve the
11 plan, including the Illinois Solar for All Program
12 proposed by the Agency, a party may propose an additional
13 low-income solar or solar incentive program, or
14 modifications to the programs proposed by the Agency, and
15 the Commission may approve an additional program, or
16 modifications to the Agency's proposed program, if the
17 additional or modified program more effectively maximizes
18 the benefits to low-income customers after taking into
19 account all relevant factors, including, but not limited
20 to, the extent to which a competitive market for
21 low-income solar has developed. Following the Commission's
22 approval of the Illinois Solar for All Program, the Agency
23 or a party may propose adjustments to the program terms,
24 conditions, and requirements, including the price offered
25 to new systems, to ensure the long-term viability and
26 success of the program. Those changes may be implemented

1 between long-term renewable resources procurement plan
2 approval processes if accompanied by a stakeholder review
3 and comment, and the ~~The~~ Commission shall otherwise review
4 and approve ~~any~~ modifications to the program through the
5 plan revision process described in Section 16-111.5 of the
6 Public Utilities Act.

7 (5) The Agency shall issue a request for
8 qualifications for a third-party program administrator or
9 administrators to administer all or a portion of the
10 Illinois Solar for All Program. The third-party program
11 administrator shall be chosen through a competitive bid
12 process based on selection criteria and requirements
13 developed by the Agency, including, but not limited to,
14 experience in administering low-income energy programs and
15 overseeing statewide clean energy or energy efficiency
16 services. If the Agency retains a program administrator or
17 administrators to implement all or a portion of the
18 Illinois Solar for All Program, each administrator shall
19 periodically submit reports to the Agency and Commission
20 for each program that it administers, at appropriate
21 intervals to be identified by the Agency in its long-term
22 renewable resources procurement plan, provided that the
23 reporting interval is at least quarterly. The third-party
24 program administrator may be, but need not be, the same
25 administrator as for the Adjustable Block Program
26 described in subparagraphs (K) through (M) of paragraph

1 (1) of subsection (c) of Section 1-75.

2 The third-party administrator's responsibilities
3 shall also include facilitating placement for graduates of
4 Illinois-based renewable energy-specific job training
5 programs, including the Clean Jobs Workforce Network
6 Program administered by the Department of Commerce and
7 Economic Opportunity and programs administered under
8 Section 16-108.12 of the Public Utilities Act. To increase
9 the uptake of trainees by participating firms, the
10 administrator shall also develop a web-based clearinghouse
11 for information available to both job training program
12 graduates and firms participating, directly or indirectly,
13 in Illinois solar incentive programs. The program
14 administrator shall also coordinate its activities with
15 entities implementing electric and natural gas
16 income-qualified energy efficiency programs, including
17 customer referrals to and from such programs, and connect
18 prospective low-income solar customers with any existing
19 deferred maintenance programs where applicable.

20 (6) The long-term renewable resources procurement plan
21 shall also provide for an independent evaluation of the
22 Illinois Solar for All Program. At least every 2 years, an
23 ~~the Agency shall select an~~ independent evaluator shall ~~to~~
24 review and report on the Illinois Solar for All Program
25 and the performance of the third-party program
26 administrator of the Illinois Solar for All Program. The

1 evaluation shall be based on objective criteria developed
2 through a public stakeholder process. The process shall
3 include feedback and participation from Illinois Solar for
4 All Program stakeholders, including participants and
5 organizations in environmental justice and historically
6 underserved communities. The report shall include a
7 summary of the evaluation of the Illinois Solar for All
8 Program based on the stakeholder developed objective
9 criteria. The report shall include the number of projects
10 installed; the total installed capacity in kilowatts; the
11 average cost per kilowatt of installed capacity to the
12 extent reasonably obtainable by the Agency; the number of
13 jobs or job opportunities created; economic, social, and
14 environmental benefits created; and the total
15 administrative costs expended by the Agency and program
16 administrator to implement and evaluate the program. The
17 report shall be delivered to the Commission and posted on
18 the Agency's website, and shall be used, as needed, to
19 revise the Illinois Solar for All Program. The Commission
20 shall also consider the results of the evaluation as part
21 of its review of the long-term renewable resources
22 procurement plan under subsection (c) of Section 1-75 of
23 this Act.

24 (7) If additional funding for the programs described
25 in this subsection (b) is available under subsection (k)
26 of Section 16-108 of the Public Utilities Act, then the

1 Agency shall submit a procurement plan to the Commission
2 no later than September 1, 2018, that proposes how the
3 Agency will procure programs on behalf of the applicable
4 utility. After notice and hearing, the Commission shall
5 approve, or approve with modification, the plan no later
6 than November 1, 2018.

7 As used in this subsection (b), "low-income households"
8 means persons and families whose income does not exceed 80% of
9 area median income, adjusted for family size and revised every
10 2 ~~5~~ years.

11 For the purposes of this subsection (b), the Agency shall
12 define "environmental justice community" as part of long-term
13 renewable resources procurement plan development, to ensure,
14 to the extent practicable, compatibility with other agencies'
15 definitions and may, for guidance, look to the definitions
16 used by federal, state, or local governments.

17 (b-5) After the receipt of all payments required by
18 Section 16-115D of the Public Utilities Act, no additional
19 funds shall be deposited into the Illinois Power Agency
20 Renewable Energy Resources Fund unless directed by order of
21 the Commission.

22 (b-10) After the receipt of all payments required by
23 Section 16-115D of the Public Utilities Act and payment in
24 full of all contracts executed by the Agency under subsections
25 (b) and (i) of this Section, if the balance of the Illinois
26 Power Agency Renewable Energy Resources Fund is under \$5,000,

1 then the Fund shall be inoperative and any remaining funds and
2 any funds submitted to the Fund after that date, shall be
3 transferred to the Supplemental Low-Income Energy Assistance
4 Fund for use in the Low-Income Home Energy Assistance Program,
5 as authorized by the Energy Assistance Act.

6 (c) (Blank).

7 (d) (Blank).

8 (e) All renewable energy credits procured using monies
9 from the Illinois Power Agency Renewable Energy Resources Fund
10 shall be permanently retired.

11 (f) The selection of one or more third-party program
12 managers or administrators, the selection of the independent
13 evaluator, and the procurement processes described in this
14 Section are exempt from the requirements of the Illinois
15 Procurement Code, under Section 20-10 of that Code.

16 (g) All disbursements from the Illinois Power Agency
17 Renewable Energy Resources Fund shall be made only upon
18 warrants of the Comptroller drawn upon the Treasurer as
19 custodian of the Fund upon vouchers signed by the Director or
20 by the person or persons designated by the Director for that
21 purpose. The Comptroller is authorized to draw the warrant
22 upon vouchers so signed. The Treasurer shall accept all
23 warrants so signed and shall be released from liability for
24 all payments made on those warrants.

25 (h) The Illinois Power Agency Renewable Energy Resources
26 Fund shall not be subject to sweeps, administrative charges,

1 or chargebacks, including, but not limited to, those
2 authorized under Section 8h of the State Finance Act, that
3 would in any way result in the transfer of any funds from this
4 Fund to any other fund of this State or in having any such
5 funds utilized for any purpose other than the express purposes
6 set forth in this Section.

7 (h-5) The Agency may assess fees to each bidder to recover
8 the costs incurred in connection with a procurement process
9 held under this Section. Fees collected from bidders shall be
10 deposited into the Renewable Energy Resources Fund.

11 (i) Supplemental procurement process.

12 (1) Within 90 days after the effective date of this
13 amendatory Act of the 98th General Assembly, the Agency
14 shall develop a one-time supplemental procurement plan
15 limited to the procurement of renewable energy credits, if
16 available, from new or existing photovoltaics, including,
17 but not limited to, distributed photovoltaic generation.
18 Nothing in this subsection (i) requires procurement of
19 wind generation through the supplemental procurement.

20 Renewable energy credits procured from new
21 photovoltaics, including, but not limited to, distributed
22 photovoltaic generation, under this subsection (i) must be
23 procured from devices installed by a qualified person. In
24 its supplemental procurement plan, the Agency shall
25 establish contractually enforceable mechanisms for
26 ensuring that the installation of new photovoltaics is

1 performed by a qualified person.

2 For the purposes of this paragraph (1), "qualified
3 person" means a person who performs installations of
4 photovoltaics, including, but not limited to, distributed
5 photovoltaic generation, and who: (A) has completed an
6 apprenticeship as a journeyman electrician from a United
7 States Department of Labor registered electrical
8 apprenticeship and training program and received a
9 certification of satisfactory completion; or (B) does not
10 currently meet the criteria under clause (A) of this
11 paragraph (1), but is enrolled in a United States
12 Department of Labor registered electrical apprenticeship
13 program, provided that the person is directly supervised
14 by a person who meets the criteria under clause (A) of this
15 paragraph (1); or (C) has obtained one of the following
16 credentials in addition to attesting to satisfactory
17 completion of at least 5 years or 8,000 hours of
18 documented hands-on electrical experience: (i) a North
19 American Board of Certified Energy Practitioners (NABCEP)
20 Installer Certificate for Solar PV; (ii) an Underwriters
21 Laboratories (UL) PV Systems Installer Certificate; (iii)
22 an Electronics Technicians Association, International
23 (ETAI) Level 3 PV Installer Certificate; or (iv) an
24 Associate in Applied Science degree from an Illinois
25 Community College Board approved community college program
26 in renewable energy or a distributed generation

1 technology.

2 For the purposes of this paragraph (1), "directly
3 supervised" means that there is a qualified person who
4 meets the qualifications under clause (A) of this
5 paragraph (1) and who is available for supervision and
6 consultation regarding the work performed by persons under
7 clause (B) of this paragraph (1), including a final
8 inspection of the installation work that has been directly
9 supervised to ensure safety and conformity with applicable
10 codes.

11 For the purposes of this paragraph (1), "install"
12 means the major activities and actions required to
13 connect, in accordance with applicable building and
14 electrical codes, the conductors, connectors, and all
15 associated fittings, devices, power outlets, or
16 apparatuses mounted at the premises that are directly
17 involved in delivering energy to the premises' electrical
18 wiring from the photovoltaics, including, but not limited
19 to, to distributed photovoltaic generation.

20 The renewable energy credits procured pursuant to the
21 supplemental procurement plan shall be procured using up
22 to \$30,000,000 from the Illinois Power Agency Renewable
23 Energy Resources Fund. The Agency shall not plan to use
24 funds from the Illinois Power Agency Renewable Energy
25 Resources Fund in excess of the monies on deposit in such
26 fund or projected to be deposited into such fund. The

1 supplemental procurement plan shall ensure adequate,
2 reliable, affordable, efficient, and environmentally
3 sustainable renewable energy resources (including credits)
4 at the lowest total cost over time, taking into account
5 any benefits of price stability.

6 To the extent available, 50% of the renewable energy
7 credits procured from distributed renewable energy
8 generation shall come from devices of less than 25
9 kilowatts in nameplate capacity. Procurement of renewable
10 energy credits from distributed renewable energy
11 generation devices shall be done through multi-year
12 contracts of no less than 5 years. The Agency shall create
13 credit requirements for counterparties. In order to
14 minimize the administrative burden on contracting
15 entities, the Agency shall solicit the use of third
16 parties to aggregate distributed renewable energy. These
17 third parties shall enter into and administer contracts
18 with individual distributed renewable energy generation
19 device owners. An individual distributed renewable energy
20 generation device owner shall have the ability to measure
21 the output of his or her distributed renewable energy
22 generation device.

23 In developing the supplemental procurement plan, the
24 Agency shall hold at least one workshop open to the public
25 within 90 days after the effective date of this amendatory
26 Act of the 98th General Assembly and shall consider any

1 comments made by stakeholders or the public. Upon
2 development of the supplemental procurement plan within
3 this 90-day period, copies of the supplemental procurement
4 plan shall be posted and made publicly available on the
5 Agency's and Commission's websites. All interested parties
6 shall have 14 days following the date of posting to
7 provide comment to the Agency on the supplemental
8 procurement plan. All comments submitted to the Agency
9 shall be specific, supported by data or other detailed
10 analyses, and, if objecting to all or a portion of the
11 supplemental procurement plan, accompanied by specific
12 alternative wording or proposals. All comments shall be
13 posted on the Agency's and Commission's websites. Within
14 14 days following the end of the 14-day review period, the
15 Agency shall revise the supplemental procurement plan as
16 necessary based on the comments received and file its
17 revised supplemental procurement plan with the Commission
18 for approval.

19 (2) Within 5 days after the filing of the supplemental
20 procurement plan at the Commission, any person objecting
21 to the supplemental procurement plan shall file an
22 objection with the Commission. Within 10 days after the
23 filing, the Commission shall determine whether a hearing
24 is necessary. The Commission shall enter its order
25 confirming or modifying the supplemental procurement plan
26 within 90 days after the filing of the supplemental

1 procurement plan by the Agency.

2 (3) The Commission shall approve the supplemental
3 procurement plan of renewable energy credits to be
4 procured from new or existing photovoltaics, including,
5 but not limited to, distributed photovoltaic generation,
6 if the Commission determines that it will ensure adequate,
7 reliable, affordable, efficient, and environmentally
8 sustainable electric service in the form of renewable
9 energy credits at the lowest total cost over time, taking
10 into account any benefits of price stability.

11 (4) The supplemental procurement process under this
12 subsection (i) shall include each of the following
13 components:

14 (A) Procurement administrator. The Agency may
15 retain a procurement administrator in the manner set
16 forth in item (2) of subsection (a) of Section 1-75 of
17 this Act to conduct the supplemental procurement or
18 may elect to use the same procurement administrator
19 administering the Agency's annual procurement under
20 Section 1-75.

21 (B) Procurement monitor. The procurement monitor
22 retained by the Commission pursuant to Section
23 16-111.5 of the Public Utilities Act shall:

24 (i) monitor interactions among the procurement
25 administrator and bidders and suppliers;

26 (ii) monitor and report to the Commission on

1 the progress of the supplemental procurement
2 process;

3 (iii) provide an independent confidential
4 report to the Commission regarding the results of
5 the procurement events;

6 (iv) assess compliance with the procurement
7 plan approved by the Commission for the
8 supplemental procurement process;

9 (v) preserve the confidentiality of supplier
10 and bidding information in a manner consistent
11 with all applicable laws, rules, regulations, and
12 tariffs;

13 (vi) provide expert advice to the Commission
14 and consult with the procurement administrator
15 regarding issues related to procurement process
16 design, rules, protocols, and policy-related
17 matters;

18 (vii) consult with the procurement
19 administrator regarding the development and use of
20 benchmark criteria, standard form contracts,
21 credit policies, and bid documents; and

22 (viii) perform, with respect to the
23 supplemental procurement process, any other
24 procurement monitor duties specifically delineated
25 within subsection (i) of this Section.

26 (C) Solicitation, pre-qualification, and

1 registration of bidders. The procurement administrator
2 shall disseminate information to potential bidders to
3 promote a procurement event, notify potential bidders
4 that the procurement administrator may enter into a
5 post-bid price negotiation with bidders that meet the
6 applicable benchmarks, provide supply requirements,
7 and otherwise explain the competitive procurement
8 process. In addition to such other publication as the
9 procurement administrator determines is appropriate,
10 this information shall be posted on the Agency's and
11 the Commission's websites. The procurement
12 administrator shall also administer the
13 prequalification process, including evaluation of
14 credit worthiness, compliance with procurement rules,
15 and agreement to the standard form contract developed
16 pursuant to item (D) of this paragraph (4). The
17 procurement administrator shall then identify and
18 register bidders to participate in the procurement
19 event.

20 (D) Standard contract forms and credit terms and
21 instruments. The procurement administrator, in
22 consultation with the Agency, the Commission, and
23 other interested parties and subject to Commission
24 oversight, shall develop and provide standard contract
25 forms for the supplier contracts that meet generally
26 accepted industry practices as well as include any

1 applicable State of Illinois terms and conditions that
2 are required for contracts entered into by an agency
3 of the State of Illinois. Standard credit terms and
4 instruments that meet generally accepted industry
5 practices shall be similarly developed. Contracts for
6 new photovoltaics shall include a provision attesting
7 that the supplier will use a qualified person for the
8 installation of the device pursuant to paragraph (1)
9 of subsection (i) of this Section. The procurement
10 administrator shall make available to the Commission
11 all written comments it receives on the contract
12 forms, credit terms, or instruments. If the
13 procurement administrator cannot reach agreement with
14 the parties as to the contract terms and conditions,
15 the procurement administrator must notify the
16 Commission of any disputed terms and the Commission
17 shall resolve the dispute. The terms of the contracts
18 shall not be subject to negotiation by winning
19 bidders, and the bidders must agree to the terms of the
20 contract in advance so that winning bids are selected
21 solely on the basis of price.

22 (E) Requests for proposals; competitive
23 procurement process. The procurement administrator
24 shall design and issue requests for proposals to
25 supply renewable energy credits in accordance with the
26 supplemental procurement plan, as approved by the

1 Commission. The requests for proposals shall set forth
2 a procedure for sealed, binding commitment bidding
3 with pay-as-bid settlement, and provision for
4 selection of bids on the basis of price, provided,
5 however, that no bid shall be accepted if it exceeds
6 the benchmark developed pursuant to item (F) of this
7 paragraph (4).

8 (F) Benchmarks. Benchmarks for each product to be
9 procured shall be developed by the procurement
10 administrator in consultation with Commission staff,
11 the Agency, and the procurement monitor for use in
12 this supplemental procurement.

13 (G) A plan for implementing contingencies in the
14 event of supplier default, Commission rejection of
15 results, or any other cause.

16 (5) Within 2 business days after opening the sealed
17 bids, the procurement administrator shall submit a
18 confidential report to the Commission. The report shall
19 contain the results of the bidding for each of the
20 products along with the procurement administrator's
21 recommendation for the acceptance and rejection of bids
22 based on the price benchmark criteria and other factors
23 observed in the process. The procurement monitor also
24 shall submit a confidential report to the Commission
25 within 2 business days after opening the sealed bids. The
26 report shall contain the procurement monitor's assessment

1 of bidder behavior in the process as well as an assessment
2 of the procurement administrator's compliance with the
3 procurement process and rules. The Commission shall review
4 the confidential reports submitted by the procurement
5 administrator and procurement monitor and shall accept or
6 reject the recommendations of the procurement
7 administrator within 2 business days after receipt of the
8 reports.

9 (6) Within 3 business days after the Commission
10 decision approving the results of a procurement event, the
11 Agency shall enter into binding contractual arrangements
12 with the winning suppliers using the standard form
13 contracts.

14 (7) The names of the successful bidders and the
15 average of the winning bid prices for each contract type
16 and for each contract term shall be made available to the
17 public within 2 days after the supplemental procurement
18 event. The Commission, the procurement monitor, the
19 procurement administrator, the Agency, and all
20 participants in the procurement process shall maintain the
21 confidentiality of all other supplier and bidding
22 information in a manner consistent with all applicable
23 laws, rules, regulations, and tariffs. Confidential
24 information, including the confidential reports submitted
25 by the procurement administrator and procurement monitor
26 pursuant to this Section, shall not be made publicly

1 available and shall not be discoverable by any party in
2 any proceeding, absent a compelling demonstration of need,
3 nor shall those reports be admissible in any proceeding
4 other than one for law enforcement purposes.

5 (8) The supplemental procurement provided in this
6 subsection (i) shall not be subject to the requirements
7 and limitations of subsections (c) and (d) of this
8 Section.

9 (9) Expenses incurred in connection with the
10 procurement process held pursuant to this Section,
11 including, but not limited to, the cost of developing the
12 supplemental procurement plan, the procurement
13 administrator, procurement monitor, and the cost of the
14 retirement of renewable energy credits purchased pursuant
15 to the supplemental procurement shall be paid for from the
16 Illinois Power Agency Renewable Energy Resources Fund. The
17 Agency shall enter into an interagency agreement with the
18 Commission to reimburse the Commission for its costs
19 associated with the procurement monitor for the
20 supplemental procurement process.

21 (Source: P.A. 98-672, eff. 6-30-14; 99-906, eff. 6-1-17.)

22 (20 ILCS 3855/1-70)

23 Sec. 1-70. Agency officials.

24 (a) The Agency shall have a Director who meets the
25 qualifications specified in Section 5-222 of the Civil

1 Administrative Code of Illinois.

2 (b) Within the Illinois Power Agency, the Agency shall
3 establish a Planning and Procurement Bureau and may establish
4 a Resource Development Bureau. Each Bureau shall report to the
5 Director.

6 (c) The Chief of the Planning and Procurement Bureau shall
7 be appointed by the Director, at the Director's sole
8 discretion, and (i) shall have at least 5 years of direct
9 experience in electricity supply planning and procurement and
10 (ii) shall also hold an advanced degree in risk management,
11 law, business, or a related field.

12 (d) The Chief of the Resource Development Bureau may be
13 appointed by the Director and (i) shall have at least 5 years
14 of direct experience in electric generating project
15 development and (ii) shall also hold an advanced degree in
16 economics, engineering, law, business, or a related field.

17 (e) For terms ending before December 31, 2019, the
18 Director shall receive an annual salary of \$100,000 or as set
19 by the Executive Ethics Commission based on a review of
20 comparable State agency director salaries ~~Compensation Review~~
21 ~~Board~~, whichever is higher. ~~For terms ending before December~~
22 ~~31, 2019, the Bureau Chiefs shall each receive an annual~~
23 ~~salary of \$85,000 or as set by the Compensation Review Board,~~
24 ~~whichever is higher. For terms beginning after the effective~~
25 ~~date of this amendatory Act of the 100th General Assembly, the~~
26 ~~annual salaries for the Director and the Bureau Chiefs shall~~

1 ~~be an amount equal to 15% more than the respective position's~~
2 ~~annual salary as of December 31, 2018. The calculation of the~~
3 ~~2018 salary base for this adjustment shall not include any~~
4 ~~cost of living adjustments, as authorized by Senate Joint~~
5 ~~Resolution 192 of the 86th General Assembly, for the period~~
6 ~~beginning July 1, 2009 to June 30, 2019. Beginning July 1, 2019~~
7 ~~and each July 1 thereafter, the Director and the Bureau Chiefs~~
8 ~~shall receive an increase in salary based on a cost of living~~
9 ~~adjustment as authorized by Senate Joint Resolution 192 of the~~
10 ~~86th General Assembly.~~

11 (f) The Director and Bureau Chiefs shall not, for 2 years
12 prior to appointment or for 2 years after he or she leaves his
13 or her position, be employed by an electric utility,
14 independent power producer, power marketer, or alternative
15 retail electric supplier regulated by the Commission or the
16 Federal Energy Regulatory Commission.

17 (g) The Director and Bureau Chiefs are prohibited from:
18 (i) owning, directly or indirectly, 5% or more of the voting
19 capital stock of an electric utility, independent power
20 producer, power marketer, or alternative retail electric
21 supplier; (ii) being in any chain of successive ownership of
22 5% or more of the voting capital stock of any electric utility,
23 independent power producer, power marketer, or alternative
24 retail electric supplier; (iii) receiving any form of
25 compensation, fee, payment, or other consideration from an
26 electric utility, independent power producer, power marketer,

1 or alternative retail electric supplier, including legal fees,
2 consulting fees, bonuses, or other sums. These limitations do
3 not apply to any compensation received pursuant to a defined
4 benefit plan or other form of deferred compensation, provided
5 that the individual has otherwise severed all ties to the
6 utility, power producer, power marketer, or alternative retail
7 electric supplier.

8 (Source: P.A. 99-536, eff. 7-8-16; 100-1179, eff. 1-18-19.)

9 (20 ILCS 3855/1-75)

10 Sec. 1-75. Planning and Procurement Bureau. The Planning
11 and Procurement Bureau has the following duties and
12 responsibilities:

13 (a) The Planning and Procurement Bureau shall each year,
14 beginning in 2008, develop procurement plans and conduct
15 competitive procurement processes in accordance with the
16 requirements of Section 16-111.5 of the Public Utilities Act
17 for the eligible retail customers of electric utilities that
18 on December 31, 2005 provided electric service to at least
19 100,000 customers in Illinois. Beginning with the delivery
20 year commencing on June 1, 2017, the Planning and Procurement
21 Bureau shall develop plans and processes for the procurement
22 of zero emission credits from zero emission facilities in
23 accordance with the requirements of subsection (d-5) of this
24 Section. The Planning and Procurement Bureau shall also
25 develop procurement plans and conduct competitive procurement

1 processes in accordance with the requirements of Section
2 16-111.5 of the Public Utilities Act for the eligible retail
3 customers of small multi-jurisdictional electric utilities
4 that (i) on December 31, 2005 served less than 100,000
5 customers in Illinois and (ii) request a procurement plan for
6 their Illinois jurisdictional load. This Section shall not
7 apply to a small multi-jurisdictional utility until such time
8 as a small multi-jurisdictional utility requests the Agency to
9 prepare a procurement plan for their Illinois jurisdictional
10 load. For the purposes of this Section, the term "eligible
11 retail customers" has the same definition as found in Section
12 16-111.5(a) of the Public Utilities Act.

13 Beginning with the plan or plans to be implemented in the
14 2017 delivery year, the Agency shall no longer include the
15 procurement of renewable energy resources in the annual
16 procurement plans required by this subsection (a), except as
17 provided in subsection (q) of Section 16-111.5 of the Public
18 Utilities Act, and shall instead develop a long-term renewable
19 resources procurement plan in accordance with subsection (c)
20 of this Section and Section 16-111.5 of the Public Utilities
21 Act.

22 (1) The Agency shall each year, beginning in 2008, as
23 needed, issue a request for qualifications for experts or
24 expert consulting firms to develop the procurement plans
25 in accordance with Section 16-111.5 of the Public
26 Utilities Act. In order to qualify an expert or expert

1 consulting firm must have:

2 (A) direct previous experience assembling
3 large-scale power supply plans or portfolios for
4 end-use customers;

5 (B) an advanced degree in economics, mathematics,
6 engineering, risk management, or a related area of
7 study;

8 (C) 10 years of experience in the electricity
9 sector, including managing supply risk;

10 (D) expertise in wholesale electricity market
11 rules, including those established by the Federal
12 Energy Regulatory Commission and regional transmission
13 organizations;

14 (E) expertise in credit protocols and familiarity
15 with contract protocols;

16 (F) adequate resources to perform and fulfill the
17 required functions and responsibilities; and

18 (G) the absence of a conflict of interest and
19 inappropriate bias for or against potential bidders or
20 the affected electric utilities.

21 (2) The Agency shall each year, as needed, issue a
22 request for qualifications for a procurement administrator
23 to conduct the competitive procurement processes in
24 accordance with Section 16-111.5 of the Public Utilities
25 Act. In order to qualify an expert or expert consulting
26 firm must have:

1 (A) direct previous experience administering a
2 large-scale competitive procurement process;

3 (B) an advanced degree in economics, mathematics,
4 engineering, or a related area of study;

5 (C) 10 years of experience in the electricity
6 sector, including risk management experience;

7 (D) expertise in wholesale electricity market
8 rules, including those established by the Federal
9 Energy Regulatory Commission and regional transmission
10 organizations;

11 (E) expertise in credit and contract protocols;

12 (F) adequate resources to perform and fulfill the
13 required functions and responsibilities; and

14 (G) the absence of a conflict of interest and
15 inappropriate bias for or against potential bidders or
16 the affected electric utilities.

17 (3) The Agency shall provide affected utilities and
18 other interested parties with the lists of qualified
19 experts or expert consulting firms identified through the
20 request for qualifications processes that are under
21 consideration to develop the procurement plans and to
22 serve as the procurement administrator. The Agency shall
23 also provide each qualified expert's or expert consulting
24 firm's response to the request for qualifications. All
25 information provided under this subparagraph shall also be
26 provided to the Commission. The Agency may provide by rule

1 for fees associated with supplying the information to
2 utilities and other interested parties. These parties
3 shall, within 5 business days, notify the Agency in
4 writing if they object to any experts or expert consulting
5 firms on the lists. Objections shall be based on:

6 (A) failure to satisfy qualification criteria;

7 (B) identification of a conflict of interest; or

8 (C) evidence of inappropriate bias for or against
9 potential bidders or the affected utilities.

10 The Agency shall remove experts or expert consulting
11 firms from the lists within 10 days if there is a
12 reasonable basis for an objection and provide the updated
13 lists to the affected utilities and other interested
14 parties. If the Agency fails to remove an expert or expert
15 consulting firm from a list, an objecting party may seek
16 review by the Commission within 5 days thereafter by
17 filing a petition, and the Commission shall render a
18 ruling on the petition within 10 days. There is no right of
19 appeal of the Commission's ruling.

20 (4) The Agency shall issue requests for proposals to
21 the qualified experts or expert consulting firms to
22 develop a procurement plan for the affected utilities and
23 to serve as procurement administrator.

24 (5) The Agency shall select an expert or expert
25 consulting firm to develop procurement plans based on the
26 proposals submitted and shall award contracts of up to 5

1 years to those selected.

2 (6) The Agency shall select an expert or expert
3 consulting firm, with approval of the Commission, to serve
4 as procurement administrator based on the proposals
5 submitted. If the Commission rejects, within 5 days, the
6 Agency's selection, the Agency shall submit another
7 recommendation within 3 days based on the proposals
8 submitted. The Agency shall award a 5-year contract to the
9 expert or expert consulting firm so selected with
10 Commission approval.

11 (b) The experts or expert consulting firms retained by the
12 Agency shall, as appropriate, prepare procurement plans, and
13 conduct a competitive procurement process as prescribed in
14 Section 16-111.5 of the Public Utilities Act, to ensure
15 adequate, reliable, affordable, efficient, and environmentally
16 sustainable electric service at the lowest total cost over
17 time, taking into account any benefits of price stability, for
18 eligible retail customers of electric utilities that on
19 December 31, 2005 provided electric service to at least
20 100,000 customers in the State of Illinois, and for eligible
21 Illinois retail customers of small multi-jurisdictional
22 electric utilities that (i) on December 31, 2005 served less
23 than 100,000 customers in Illinois and (ii) request a
24 procurement plan for their Illinois jurisdictional load.

25 (c) Renewable portfolio standard.

26 (1) (A) The Agency shall develop a long-term renewable

1 resources procurement plan that shall include procurement
2 programs and competitive procurement events necessary to
3 meet the goals set forth in this subsection (c). The
4 initial long-term renewable resources procurement plan
5 shall be released for comment no later than 160 days after
6 June 1, 2017 (the effective date of Public Act 99-906),
7 and a second revised long-term renewable resources
8 procurement plan shall be released for comment no later
9 than 120 days after the effective date of this amendatory
10 Act of the 102nd General Assembly. The Agency shall
11 review, and may revise on an expedited basis, the
12 long-term renewable resources procurement plan at least
13 every 2 years, ~~which shall be conducted in conjunction~~
14 ~~with the procurement plan under Section 16-111.5 of the~~
15 ~~Public Utilities Act to the extent practicable to minimize~~
16 ~~administrative expense.~~ The long-term renewable resources
17 procurement plans shall be subject to review and approval
18 by the Commission under Section 16-111.5 of the Public
19 Utilities Act.

20 (B) Subject to subparagraph (F) of this paragraph (1),
21 the long-term renewable resources procurement plan shall
22 attempt to meet ~~include~~ the goals for procurement of
23 renewable energy credits at levels of ~~to meet~~ at least the
24 following overall percentages: 13% by the 2017 delivery
25 year; increasing by at least 1.5% each delivery year
26 thereafter to at least 25% by the 2025 delivery year;

1 increasing by at least 2.5% each delivery year thereafter
2 to at least 40% by the 2030 delivery year; and continuing
3 at no less than 40% ~~25%~~ for each delivery year thereafter.
4 In the event of a conflict between these goals and the new
5 wind and new photovoltaic procurement requirements
6 described in items (i) through (iii) of subparagraph (C)
7 of this paragraph (1), the long-term plan shall prioritize
8 compliance with the new wind and new photovoltaic
9 procurement requirements described in items (i) through
10 (iii) of subparagraph (C) of this paragraph (1) over the
11 annual percentage targets described in this subparagraph
12 (B).

13 For the delivery year beginning June 1, 2017, the
14 procurement plan shall attempt to include, subject to the
15 prioritization outlined above, cost-effective renewable
16 energy resources equal to at least 13% of each utility's
17 load for eligible retail customers and 13% of the
18 applicable portion of each utility's load for retail
19 customers who are not eligible retail customers, which
20 applicable portion shall equal 50% of the utility's load
21 for retail customers who are not eligible retail customers
22 on February 28, 2017.

23 For the delivery year beginning June 1, 2018, the
24 procurement plan shall attempt to include, subject to the
25 prioritization outlined above, cost-effective renewable
26 energy resources equal to at least 14.5% of each utility's

1 load for eligible retail customers and 14.5% of the
2 applicable portion of each utility's load for retail
3 customers who are not eligible retail customers, which
4 applicable portion shall equal 75% of the utility's load
5 for retail customers who are not eligible retail customers
6 on February 28, 2017.

7 For the delivery year beginning June 1, 2019, and for
8 each year thereafter, the procurement plans shall attempt
9 to include, subject to the prioritization outlined above,
10 ~~include~~ cost-effective renewable energy resources equal to
11 a minimum percentage of each utility's load for all retail
12 customers as follows: 16% by June 1, 2019; increasing by
13 1.5% each year thereafter to 25% by June 1, 2025;
14 increasing by at least 2.5% each delivery year thereafter
15 to at least 40% by June 1, 2030 ~~and 25% by June 1, 2026~~ and
16 each year thereafter.

17 For each delivery year, the Agency shall first
18 recognize each utility's obligations for that delivery
19 year under existing contracts. Any renewable energy
20 credits under existing contracts, including renewable
21 energy credits as part of renewable energy resources,
22 shall be used to meet the goals set forth in this
23 subsection (c) for the delivery year.

24 ~~(C) Of the renewable energy credits procured under~~
25 ~~this subsection (c), at least 75% shall come from wind and~~
26 ~~photovoltaic projects.~~ The long-term renewable resources

1 procurement plan described in subparagraph (A) of this
2 paragraph (1) shall include the procurement of renewable
3 energy credits from new projects in amounts equal to at
4 least the following:

5 (i) 10,000,000 renewable energy credits under
6 contract to be delivered annually from new wind and
7 solar projects by the end of delivery year 2021, and
8 ~~(i) By the end of the 2020 delivery year:~~

9 increasing ratably to reach 45,000,000
10 renewable energy credits under contract to be
11 delivered annually from new renewable energy
12 projects by the end of delivery year 2031 such
13 that the goals in subsection (b) of this Section
14 (1) are met entirely by procurements of renewable
15 energy credits from new projects. At least
16 ~~2,000,000 renewable energy credits for each~~
17 ~~delivery year shall come from new wind projects;~~
18 ~~and~~

19 ~~At least 2,000,000 renewable energy credits~~
20 ~~for each delivery year shall come from new~~
21 ~~photovoltaic projects; of that amount, To to the~~
22 ~~extent possible, and subject to revision by the~~
23 Commission through its approval of the Agency's
24 long-term renewable resources procurement plan,
25 the Agency shall procure 50% from wind projects
26 and 50% from photovoltaic projects. Of the amount

1 procured from solar projects, the Agency shall
2 endeavor to procure: 40% at least 50% from solar
3 photovoltaic projects using the program outlined
4 in subparagraph (K) of this paragraph (1) from
5 distributed renewable energy generation devices or
6 community renewable generation projects; at least
7 40% from utility-scale solar projects; and 8% at
8 least 2% from brownfield site photovoltaic
9 projects that are not community renewable
10 generation. Programs or competitive procurements
11 used to incentivize the development of new
12 projects utilizing technologies other than wind or
13 photovoltaics may also be proposed as part of the
14 Agency's long-term renewable resources procurement
15 plan, and if successfully procured, shall count
16 toward these targets. projects; and the remainder
17 shall be determined through the long term planning
18 process described in subparagraph (A) of this
19 paragraph (1).

20 (ii) In any given delivery year, if forecasted
21 expenses are less than the maximum budget available
22 under subparagraph (E), the Agency shall continue to
23 procure renewable credits until that budget is
24 exhausted in the manner outlined in item (i) of this
25 subparagraph (C). ~~(ii) By the end of the 2025 delivery~~
26 ~~year.~~

1 ~~At least 3,000,000 renewable energy credits~~
2 ~~for each delivery year shall come from new wind~~
3 ~~projects; and~~

4 ~~At least 3,000,000 renewable energy credits~~
5 ~~for each delivery year shall come from new~~
6 ~~photovoltaic projects; of that amount, to the~~
7 ~~extent possible, the Agency shall procure: at~~
8 ~~least 50% from solar photovoltaic projects using~~
9 ~~the program outlined in subparagraph (K) of this~~
10 ~~paragraph (1) from distributed renewable energy~~
11 ~~devices or community renewable generation~~
12 ~~projects; at least 40% from utility-scale solar~~
13 ~~projects; at least 2% from brownfield site~~
14 ~~photovoltaic projects that are not community~~
15 ~~renewable generation projects; and the remainder~~
16 ~~shall be determined through the long term planning~~
17 ~~process described in subparagraph (A) of this~~
18 ~~paragraph (1).~~

19 ~~(iii) By the end of the 2030 delivery year:~~

20 ~~At least 4,000,000 renewable energy credits~~
21 ~~for each delivery year shall come from new wind~~
22 ~~projects; and~~

23 ~~At least 4,000,000 renewable energy credits~~
24 ~~for each delivery year shall come from new~~
25 ~~photovoltaic projects; of that amount, to the~~
26 ~~extent possible, the Agency shall procure: at~~

1 ~~least 50% from solar photovoltaic projects using~~
2 ~~the program outlined in subparagraph (K) of this~~
3 ~~paragraph (1) from distributed renewable energy~~
4 ~~devices or community renewable generation~~
5 ~~projects; at least 40% from utility scale solar~~
6 ~~projects; at least 2% from brownfield site~~
7 ~~photovoltaic projects that are not community~~
8 ~~renewable generation projects; and the remainder~~
9 ~~shall be determined through the long term planning~~
10 ~~process described in subparagraph (A) of this~~
11 ~~paragraph (1).~~

12 (iii) For purposes of this Section:

13 "New wind projects" means wind renewable
14 energy facilities that are energized after June 1,
15 2017 ~~for the delivery year commencing June 1, 2017~~
16 ~~or within 3 years after the date the Commission~~
17 ~~approves contracts for subsequent delivery years.~~

18 "New photovoltaic projects" means photovoltaic
19 renewable energy facilities that are energized
20 after June 1, 2017. Photovoltaic projects
21 developed under Section 1-56 of this Act shall not
22 apply towards the new photovoltaic project
23 requirements in this subparagraph (C).

24 (iv) For purposes of this subparagraph (C),
25 "Brownfield site photovoltaic project" shall generally
26 refer to photovoltaic projects that are:

1 (I) interconnected to an electric utility as
2 defined in this Section, a public utility as
3 defined in Section 3-105 of the Public Utilities
4 Act, or an electric cooperative as defined in
5 Section 3-199 of the Public Utilities Act; and

6 (II) located at a site that meets one of the
7 following criteria:

8 is or was recently regulated by the United
9 States Environmental Protection Agency under
10 the federal Comprehensive Environmental
11 Response, Compensation, and Liability Act of
12 1980, as amended;

13 is or was recently regulated by the United
14 States Environmental Protection Agency under
15 the Corrective Action Program of the federal
16 Resource Conservation and Recovery Act, as
17 amended;

18 is or was recently regulated by the
19 Illinois Environmental Protection Agency under
20 the Illinois Site Remediation Program;

21 is or was recently regulated by the
22 Illinois Environmental Protection Agency under
23 the Illinois Solid Waste Program; or

24 is primarily physically located on the
25 same parcel or adjacent parcel to a parcel of
26 land on which an electric generating facility

1 that burned coal as its primary fuel source as
2 of January 1, 2019 is located.

3 As necessary to maximize the State's interest
4 in the health, safety, and welfare of its
5 residents, this brownfield site photovoltaic
6 project definition may be further refined,
7 including narrowed, through the development and
8 approval of the Illinois Power Agency's Long-Term
9 Renewable Resources Plan produced by the Illinois
10 Power Agency pursuant to Section 16-111.5(b) (5) of
11 the Public Utilities Act. If no further
12 refinements to this definition have been made
13 prior to the Agency conducting a brownfield site
14 photovoltaic project procurement event, the Agency
15 and its Procurement Administrator may, after
16 stakeholder comment, adopt participation
17 requirements more restrictive than this definition
18 for brownfield site photovoltaic project
19 procurement events.

20 In developing its long-term renewable
21 resources procurement plan, the Agency may
22 consider approaches other than competitive
23 procurements for the procurement of renewable
24 energy credits from brownfield site photovoltaic
25 projects. The Commission may approve an
26 alternative procurement approach for renewable

1 energy credits from brownfield site photovoltaic
2 projects if it demonstrates that the alternative
3 procurement approach is likely to more effectively
4 return blighted or contaminated land to productive
5 use while enhancing public health and well-being
6 of Illinois residents, taking into account any
7 benefits of cost-efficiencies.

8 (v) The Agency shall ensure that costs associated
9 with renewable energy credit contracts executed by
10 counterparty electric utilities match with that
11 electric utility's anticipated budget under
12 subparagraph (E). However, in approving the Agency's
13 long-term renewable resources procurement plan, the
14 Agency may propose and the Commission may consider
15 requirements associated with the physical location of
16 new wind projects and new solar projects that reflect
17 needs specific to each electric utility's service
18 territory, including known or anticipated retirements
19 of other electric generating facilities and imports of
20 energy from other states into that utility's service
21 territory.

22 (D) Renewable energy credits shall be cost effective.
23 For purposes of this subsection (c), "cost effective"
24 means that the costs of procuring renewable energy
25 resources do not cause the limit stated in subparagraph
26 (E) of this paragraph (1) to be exceeded and, for

1 renewable energy credits procured through a competitive
2 procurement event, do not exceed benchmarks based on
3 market prices for like products in the region. For
4 purposes of this subsection (c), "like products" means
5 contracts for renewable energy credits from the same or
6 substantially similar technology, same or substantially
7 similar vintage (new or existing), the same or
8 substantially similar quantity, and the same or
9 substantially similar contract length and structure.
10 Confidential benchmarks ~~Benchmarks~~ shall be developed by
11 the procurement administrator, in consultation with the
12 Commission staff, Agency staff, and the procurement
13 monitor and shall be subject to Commission review and
14 approval. If price benchmarks for like products in the
15 region are not available, the procurement administrator
16 shall establish price benchmarks based on publicly
17 available data on regional technology costs and expected
18 current and future regional energy prices. The benchmarks
19 in this Section shall not be used to curtail or otherwise
20 reduce contractual obligations entered into by or through
21 the Agency prior to June 1, 2017 (the effective date of
22 Public Act 99-906).

23 (E) For purposes of this subsection (c), the required
24 procurement of cost-effective renewable energy resources
25 for a particular year commencing prior to June 1, 2017
26 shall be measured as a percentage of the actual amount of

1 electricity (megawatt-hours) supplied by the electric
2 utility to eligible retail customers in the delivery year
3 ending immediately prior to the procurement, and, for
4 delivery years commencing on and after June 1, 2017, the
5 required procurement of cost-effective renewable energy
6 resources for a particular year shall be measured as a
7 percentage of the actual amount of electricity
8 (megawatt-hours) delivered by the electric utility in the
9 delivery year ending immediately prior to the procurement,
10 to all retail customers in its service territory. For
11 purposes of this subsection (c), the amount paid per
12 kilowatthour means the total amount paid for electric
13 service expressed on a per kilowatthour basis. For
14 purposes of this subsection (c), the total amount paid for
15 electric service includes without limitation amounts paid
16 for supply, capacity, transmission, distribution,
17 surcharges, and add-on taxes.

18 Notwithstanding the requirements of this subsection
19 (c), the total of renewable energy resources procured
20 under the procurement plan for any single year shall be
21 subject to the limitations of this subparagraph (E). Such
22 procurement shall be reduced for all retail customers
23 based on the amount necessary to limit the annual
24 estimated average net increase due to the costs of these
25 resources included in the amounts paid by eligible retail
26 customers in connection with electric service to no more

1 than the greater of the percentage limitations as included
2 in paragraphs (1), (2), and (3) of subsection (m) of
3 Section 8-103B of the Public Utilities Act ~~2.015%~~ of the
4 amount paid per kilowatthour by those customers during the
5 year ending May 31, 2009, however the limitation in
6 paragraph (3) shall continue on without end ~~2007 or the~~
7 ~~incremental amount per kilowatthour paid for these~~
8 ~~resources in 2011.~~ To arrive at a maximum dollar amount of
9 renewable energy resources to be procured for the
10 particular delivery year, the resulting per kilowatthour
11 amount shall be applied to the actual amount of
12 kilowatthours of electricity delivered, or applicable
13 portion of such amount as specified in paragraph (1) of
14 this subsection (c), as applicable, by the electric
15 utility in the delivery year immediately prior to the
16 procurement to all retail customers in its service
17 territory. The calculations required by this subparagraph
18 (E) shall be made only once for each delivery year at the
19 time that the renewable energy resources are procured.
20 Once the determination as to the amount of renewable
21 energy resources to procure is made based on the
22 calculations set forth in this subparagraph (E) and the
23 contracts procuring those amounts are executed, no
24 subsequent rate impact determinations shall be made and no
25 adjustments to those contract amounts shall be allowed.
26 All costs incurred under such contracts shall be fully

1 recoverable by the electric utility as provided in this
2 Section.

3 (E-5) If the limitation on the amount of renewable
4 energy resources procured in subparagraph (E) of this
5 paragraph (1) would prevent the Agency from meeting all of
6 the goals in this subsection (c), the Agency shall procure
7 additional renewable energy resources using additional
8 funds collected pursuant to Section 16-108(k) of the
9 Public Utilities Act if so authorized by the Illinois
10 Commerce Commission in approving the Agency's long-term
11 renewable resources procurement plan, but only if required
12 to (I) ensure that any contractual obligations existing at
13 the time of that determination are fully met or (II) to
14 ensure that program and procurement activity would not be
15 subject to prolonged cessation. The utilities shall be
16 entitled to recover the total cost associated with
17 procuring renewable energy credits required by this
18 Section regardless of whether the costs are subject to the
19 limitations described in subparagraph (E) of this
20 paragraph (1) through the automatic adjustment clause
21 tariff under subsection (k) of Section 16-108 of the
22 Public Utilities Act.

23 (F) If the limitation on the amount of renewable
24 energy resources procured in subparagraph (E) of this
25 paragraph (1) prevents the Agency from meeting all of the
26 goals in this subsection (c), the Agency's long-term plan

1 shall prioritize compliance with the requirements of this
2 subsection (c) regarding renewable energy credits in the
3 following order:

4 (i) renewable energy credits under ~~existing~~
5 contractual obligations existing as of June 1, 2021;

6 (i-5) funding for the Illinois Solar for All
7 Program, as described in subparagraph (O) of this
8 paragraph (1);

9 (ii) renewable energy credits necessary to comply
10 with the new wind and new photovoltaic procurement
11 requirements described in items (i) through (iii) of
12 subparagraph (C) of this paragraph (1); and

13 (iii) renewable energy credits necessary to meet
14 the remaining requirements of this subsection (c).

15 (G) The following provisions shall apply to the
16 Agency's procurement of renewable energy credits under
17 this subsection (c):

18 (i) Notwithstanding whether a long-term renewable
19 resources procurement plan has been approved, the
20 Agency shall conduct an initial forward procurement
21 for renewable energy credits from new utility-scale
22 wind projects within 160 days after June 1, 2017 (the
23 effective date of Public Act 99-906). For the purposes
24 of this initial forward procurement, the Agency shall
25 solicit 15-year contracts for delivery of 1,000,000
26 renewable energy credits delivered annually from new

1 utility-scale wind projects to begin delivery on June
2 1, 2019, if available, but not later than June 1, 2023
3 ~~2021~~, unless the project has delays in the
4 establishment of an operating interconnection with the
5 applicable transmission or distribution system as a
6 result of the actions or inactions of the transmission
7 or distribution provider, or other causes for force
8 majeure as outlined in the procurement contract, in
9 which case, not later than June 1, 2022. Payments to
10 suppliers of renewable energy credits shall commence
11 upon delivery. Renewable energy credits procured under
12 this initial procurement shall be included in the
13 Agency's long-term plan and shall apply to all
14 renewable energy goals in this subsection (c).

15 (ii) Notwithstanding whether a long-term renewable
16 resources procurement plan has been approved, the
17 Agency shall conduct an initial forward procurement
18 for renewable energy credits from new utility-scale
19 solar projects and brownfield site photovoltaic
20 projects within one year after June 1, 2017 (the
21 effective date of Public Act 99-906). For the purposes
22 of this initial forward procurement, the Agency shall
23 solicit 15-year contracts for delivery of 1,000,000
24 renewable energy credits delivered annually from new
25 utility-scale solar projects and brownfield site
26 photovoltaic projects to begin delivery on June 1,

1 2019, if available, but not later than June 1, 2023
2 ~~2021~~, unless the project has delays in the
3 establishment of an operating interconnection with the
4 applicable transmission or distribution system as a
5 result of the actions or inactions of the transmission
6 or distribution provider, or other causes for force
7 majeure as outlined in the procurement contract, in
8 which case, not later than June 1, 2022. The Agency may
9 structure this initial procurement in one or more
10 discrete procurement events. Payments to suppliers of
11 renewable energy credits shall commence upon delivery.
12 Renewable energy credits procured under this initial
13 procurement shall be included in the Agency's
14 long-term plan and shall apply to all renewable energy
15 goals in this subsection (c).

16 (iii) Notwithstanding the current
17 Commission-approved long-term renewable resources
18 procurement plan revision described in Section
19 16-111.5 of the Public Utilities Act, the Agency shall
20 conduct at least one subsequent forward procurement
21 for renewable energy credits from new utility scale
22 wind projects, new utility scale solar projects, and
23 new brownfield site photovoltaic projects within 240
24 days after the effective date of this amendatory Act
25 of the 102nd General Assembly in quantities needed to
26 meet the requirements of subparagraph (C) of this

1 subsection (c).

2 (iv) Notwithstanding the current
3 Commission-approved long-term renewable resources
4 procurement plan revision described in Section
5 16-111.5 of the Public Utilities Act, the Agency shall
6 open capacity for each category in the Adjustable
7 Block Program within 90 days after the effective date
8 of this amendatory Act of the 102nd General Assembly.
9 Blocks shall be sized as necessary to meet the
10 requirements of subparagraph (C) of this subsection
11 (c), and shall be opened in the following manner:

12 (I) The Agency shall open the next block of
13 capacity for the category described in item (i) of
14 subparagraph (K) this subsection (c). The price of
15 renewable energy credits for this new block of
16 capacity shall be 6% less than the price of the
17 last open block in this category. Projects on a
18 waitlist shall be awarded contracts first in the
19 order in which they appear on the waitlist.

20 (II) The Agency shall open the next block of
21 capacity for the category described in item (ii)
22 of subparagraph (K) of this subsection (c). The
23 price of the renewable energy credits for this new
24 block of capacity shall be 12% less than the price
25 of the last open block in this category. Projects
26 on a waitlist shall be awarded contracts first in

1 the order in which they appear on the waitlist.

2 (III) The Agency shall open the next block of
3 capacity for the category described in item
4 (iii)(I) of subparagraph (K) of this subsection
5 (c). The price of the renewable energy credits for
6 this new block of capacity shall be 20% less than
7 the price of the last open block of this category.
8 For this initial block, the capacity shall be
9 allocated to waitlisted projects in a manner
10 consistent with ordinal waitlists established by
11 the Agency.

12 (IV) Blocks of capacity for the category
13 described in item (iii)(II) of subparagraph (K) of
14 this subsection (c) shall not be opened until
15 after the Commission's review and approval of the
16 Agency's next revised long-term renewable
17 resources procurement plan.

18 ~~(iii) Subsequent forward procurements for~~
19 ~~utility scale wind projects shall solicit at least~~
20 ~~1,000,000 renewable energy credits delivered annually~~
21 ~~per procurement event and shall be planned, scheduled,~~
22 ~~and designed such that the cumulative amount of~~
23 ~~renewable energy credits delivered from all new wind~~
24 ~~projects in each delivery year shall not exceed the~~
25 ~~Agency's projection of the cumulative amount of~~
26 ~~renewable energy credits that will be delivered from~~

1 ~~all new photovoltaic projects, including utility-scale~~
2 ~~and distributed photovoltaic devices, in the same~~
3 ~~delivery year at the time scheduled for wind contract~~
4 ~~delivery.~~

5 ~~(iv) If, at any time after the time set for~~
6 ~~delivery of renewable energy credits pursuant to the~~
7 ~~initial procurements in items (i) and (ii) of this~~
8 ~~subparagraph (G), the cumulative amount of renewable~~
9 ~~energy credits projected to be delivered from all new~~
10 ~~wind projects in a given delivery year exceeds the~~
11 ~~cumulative amount of renewable energy credits~~
12 ~~projected to be delivered from all new photovoltaic~~
13 ~~projects in that delivery year by 200,000 or more~~
14 ~~renewable energy credits, then the Agency shall within~~
15 ~~60 days adjust the procurement programs in the~~
16 ~~long term renewable resources procurement plan to~~
17 ~~ensure that the projected cumulative amount of~~
18 ~~renewable energy credits to be delivered from all new~~
19 ~~wind projects does not exceed the projected cumulative~~
20 ~~amount of renewable energy credits to be delivered~~
21 ~~from all new photovoltaic projects by 200,000 or more~~
22 ~~renewable energy credits, provided that nothing in~~
23 ~~this Section shall preclude the projected cumulative~~
24 ~~amount of renewable energy credits to be delivered~~
25 ~~from all new photovoltaic projects from exceeding the~~
26 ~~projected cumulative amount of renewable energy~~

1 ~~credits to be delivered from all new wind projects in~~
2 ~~each delivery year and provided further that nothing~~
3 ~~in this item (iv) shall require the curtailment of an~~
4 ~~executed contract. The Agency shall update, on a~~
5 ~~quarterly basis, its projection of the renewable~~
6 ~~energy credits to be delivered from all projects in~~
7 ~~each delivery year. Notwithstanding anything to the~~
8 ~~contrary, the Agency may adjust the timing of~~
9 ~~procurement events conducted under this subparagraph~~
10 ~~(G). The long term renewable resources procurement~~
11 ~~plan shall set forth the process by which the~~
12 ~~adjustments may be made.~~

13 (v) Upon the effective date of this Act, for any
14 procurements of renewable energy credits from new
15 utility-scale wind and new utility-scale photovoltaic
16 projects, the Agency shall procure indexed renewable
17 energy credits and direct respondents to offer a
18 strike price.

19 (I) The value of the indexed renewable energy
20 credit payment shall be calculated for each
21 settlement period. That payment, for any
22 settlement period, shall be equal to the
23 difference resulting from subtracting the strike
24 price from the index price for that settlement
25 period. If this difference results in a negative
26 number, the indexed REC counterparty shall owe the

1 seller the absolute value multiplied by the
2 quantity of energy produced in the relevant
3 settlement period. If this difference results in a
4 positive number, the seller shall owe the indexed
5 REC counterparty this amount multiplied by the
6 quantity of energy produced in the relevant
7 settlement period.

8 (II) Parties shall cash settle every month,
9 summing up all settlements (both positive and
10 negative, if applicable) for the prior month.

11 (III) To ensure funding in the annual budget
12 established under subparagraph (E) of this
13 subsection (c) for indexed renewable energy credit
14 procurements for each year of the term of such
15 contracts, which must have a minimum tenor of 15
16 calendar years, the procurement administrator,
17 Agency, Commission staff, and procurement monitor
18 shall quantify the annual cost of the contract by
19 utilizing an industry-standard, third-party
20 forward price curve for energy at the appropriate
21 hub or load zone, including the estimated
22 magnitude and timing of the price effects related
23 to federal carbon controls. Each forward price
24 curve shall contain a specific value of the
25 forecasted market price of electricity for each
26 annual delivery year of the contract. For

1 procurement planning purposes, the impact on the
2 annual budget for the cost of indexed renewable
3 energy credits for each delivery year shall be
4 determined as the difference between the expected
5 annual contract expenditures for that year (the
6 sum of the strike price multiplied by quantity of
7 contracts for all relevant contracts) and the
8 total target quantity of contracts multiplied by
9 the forward price curve for each respective load
10 zone for that year. The contracting utility shall
11 not assume an obligation in excess of the
12 estimated annual cost of the contracts for indexed
13 renewable energy credits. Forward curves shall be
14 revised on an annual basis as updated forward
15 price curves are released and filed with the
16 Commission in the proceeding approving the
17 Agency's most recent long-term renewable resources
18 procurement plan. If the expected contract spend
19 is higher or lower than the total quantity of
20 renewable energy credits multiplied by the forward
21 price curve value for that year, the forward price
22 curve shall be updated by the procurement
23 administrator, in consultation with the Agency,
24 Commission staff, and procurement monitors, using
25 then-currently available price forecast data and
26 additional budget dollars shall be obligated or

1 reobligated as appropriate.

2 (IV) To ensure that indexed renewable energy
3 credit prices remain reasonably predictable and
4 affordable, the Agency may consider the
5 institution of a price collar on REC prices paid
6 under indexed renewable energy credit procurements
7 establishing floor and ceiling REC prices
8 applicable to indexed REC contract prices. Any
9 price collars applicable to indexed REC
10 procurements shall be proposed by the Agency
11 through its long-term renewable resources
12 procurement plan.

13 (vi) ~~(v)~~ All procurements under this subparagraph
14 (G) shall comply with the geographic requirements in
15 subparagraph (I) of this paragraph (1) and shall
16 follow the procurement processes and procedures
17 described in this Section and Section 16-111.5 of the
18 Public Utilities Act to the extent practicable, and
19 these processes and procedures may be expedited to
20 accommodate the schedule established by this
21 subparagraph (G).

22 (H) The procurement of renewable energy resources for
23 a given delivery year shall be reduced as described in
24 this subparagraph (H) if an alternative retail electric
25 supplier meets the requirements described in this
26 subparagraph (H).

1 (i) Within 45 days after June 1, 2017 (the
2 effective date of Public Act 99-906), an alternative
3 retail electric supplier or its successor shall submit
4 an informational filing to the Illinois Commerce
5 Commission certifying that, as of December 31, 2015,
6 the alternative retail electric supplier owned one or
7 more electric generating facilities that generates
8 renewable energy resources as defined in Section 1-10
9 of this Act, provided that such facilities are not
10 powered by wind or photovoltaics, and the facilities
11 generate one renewable energy credit for each
12 megawatthour of energy produced from the facility.

13 The informational filing shall identify each
14 facility that was eligible to satisfy the alternative
15 retail electric supplier's obligations under Section
16 16-115D of the Public Utilities Act as described in
17 this item (i).

18 (ii) For a given delivery year, the alternative
19 retail electric supplier may elect to supply its
20 retail customers with renewable energy credits from
21 the facility or facilities described in item (i) of
22 this subparagraph (H) that continue to be owned by the
23 alternative retail electric supplier.

24 (iii) The alternative retail electric supplier
25 shall notify the Agency and the applicable utility, no
26 later than February 28 of the year preceding the

1 applicable delivery year or 15 days after June 1, 2017
2 (the effective date of Public Act 99-906), whichever
3 is later, of its election under item (ii) of this
4 subparagraph (H) to supply renewable energy credits to
5 retail customers of the utility. Such election shall
6 identify the amount of renewable energy credits to be
7 supplied by the alternative retail electric supplier
8 to the utility's retail customers and the source of
9 the renewable energy credits identified in the
10 informational filing as described in item (i) of this
11 subparagraph (H), subject to the following
12 limitations:

13 For the delivery year beginning June 1, 2018,
14 the maximum amount of renewable energy credits to
15 be supplied by an alternative retail electric
16 supplier under this subparagraph (H) shall be 68%
17 multiplied by 25% multiplied by 14.5% multiplied
18 by the amount of metered electricity
19 (megawatt-hours) delivered by the alternative
20 retail electric supplier to Illinois retail
21 customers during the delivery year ending May 31,
22 2016.

23 For delivery years beginning June 1, 2019 and
24 each year thereafter, the maximum amount of
25 renewable energy credits to be supplied by an
26 alternative retail electric supplier under this

1 subparagraph (H) shall be 68% multiplied by 50%
2 multiplied by 16% multiplied by the amount of
3 metered electricity (megawatt-hours) delivered by
4 the alternative retail electric supplier to
5 Illinois retail customers during the delivery year
6 ending May 31, 2016, provided that the 16% value
7 shall increase by 1.5% each delivery year
8 thereafter to 25% by the delivery year beginning
9 June 1, 2025, and thereafter the 25% value shall
10 apply to each delivery year.

11 For each delivery year, the total amount of
12 renewable energy credits supplied by all alternative
13 retail electric suppliers under this subparagraph (H)
14 shall not exceed 9% of the Illinois target renewable
15 energy credit quantity. The Illinois target renewable
16 energy credit quantity for the delivery year beginning
17 June 1, 2018 is 14.5% multiplied by the total amount of
18 metered electricity (megawatt-hours) delivered in the
19 delivery year immediately preceding that delivery
20 year, provided that the 14.5% shall increase by 1.5%
21 each delivery year thereafter to 25% by the delivery
22 year beginning June 1, 2025, and thereafter the 25%
23 value shall apply to each delivery year.

24 If the requirements set forth in items (i) through
25 (iii) of this subparagraph (H) are met, the charges
26 that would otherwise be applicable to the retail

1 customers of the alternative retail electric supplier
2 under paragraph (6) of this subsection (c) for the
3 applicable delivery year shall be reduced by the ratio
4 of the quantity of renewable energy credits supplied
5 by the alternative retail electric supplier compared
6 to that supplier's target renewable energy credit
7 quantity. The supplier's target renewable energy
8 credit quantity for the delivery year beginning June
9 1, 2018 is 14.5% multiplied by the total amount of
10 metered electricity (megawatt-hours) delivered by the
11 alternative retail supplier in that delivery year,
12 provided that the 14.5% shall increase by 1.5% each
13 delivery year thereafter to 25% by the delivery year
14 beginning June 1, 2025, and thereafter the 25% value
15 shall apply to each delivery year.

16 On or before April 1 of each year, the Agency shall
17 annually publish a report on its website that
18 identifies the aggregate amount of renewable energy
19 credits supplied by alternative retail electric
20 suppliers under this subparagraph (H).

21 (I) The Agency shall design its long-term renewable
22 energy procurement plan to maximize the State's interest
23 in the health, safety, and welfare of its residents,
24 including but not limited to minimizing sulfur dioxide,
25 nitrogen oxide, particulate matter and other pollution
26 that adversely affects public health in this State,

1 increasing fuel and resource diversity in this State,
2 enhancing the reliability and resiliency of the
3 electricity distribution system in this State, meeting
4 goals to limit carbon dioxide emissions under federal or
5 State law, and contributing to a cleaner and healthier
6 environment for the citizens of this State. In order to
7 further these legislative purposes, renewable energy
8 credits shall be eligible to be counted toward the
9 renewable energy requirements of this subsection (c) if
10 they are generated from facilities located in this State.
11 The Agency may qualify renewable energy credits from
12 facilities located in states adjacent to Illinois if the
13 generator demonstrates and the Agency determines that the
14 operation of such facility or facilities will help promote
15 the State's interest in the health, safety, and welfare of
16 its residents based on the public interest criteria
17 described above. To ensure that the public interest
18 criteria are applied to the procurement and given full
19 effect, the Agency's long-term procurement plan shall
20 describe in detail how each public interest factor shall
21 be considered and weighted for facilities located in
22 states adjacent to Illinois.

23 (J) In order to promote the competitive development of
24 renewable energy resources in furtherance of the State's
25 interest in the health, safety, and welfare of its
26 residents, renewable energy credits shall not be eligible

1 to be counted toward the renewable energy requirements of
2 this subsection (c) if they are sourced from a generating
3 unit whose costs were being recovered through rates
4 regulated by this State or any other state or states on or
5 after January 1, 2017. Each contract executed to purchase
6 renewable energy credits under this subsection (c) shall
7 provide for the contract's termination if the costs of the
8 generating unit supplying the renewable energy credits
9 subsequently begin to be recovered through rates regulated
10 by this State or any other state or states; and each
11 contract shall further provide that, in that event, the
12 supplier of the credits must return 110% of all payments
13 received under the contract. Amounts returned under the
14 requirements of this subparagraph (J) shall be retained by
15 the utility and all of these amounts shall be used for the
16 procurement of additional renewable energy credits from
17 new wind or new photovoltaic resources as defined in this
18 subsection (c). The long-term plan shall provide that
19 these renewable energy credits shall be procured in the
20 next procurement event.

21 Notwithstanding the limitations of this subparagraph
22 (J), renewable energy credits sourced from generating
23 units that are constructed, purchased, owned, or leased by
24 an electric utility as part of an approved project,
25 program, or pilot under Section 1-56 of this Act shall be
26 eligible to be counted toward the renewable energy

1 requirements of this subsection (c), regardless of how the
2 costs of these units are recovered.

3 (K) The long-term renewable resources procurement plan
4 developed by the Agency in accordance with subparagraph
5 (A) of this paragraph (1) shall include an Adjustable
6 Block program for the procurement of renewable energy
7 credits from new photovoltaic projects that are
8 distributed renewable energy generation devices or new
9 photovoltaic community renewable generation projects. The
10 Adjustable Block program shall generally be designed to
11 provide for the predictable, sustainable growth of new
12 solar photovoltaic development in Illinois, while also
13 ensuring that any unnecessary costs and margins are
14 minimized. The Agency shall design the program, the
15 prices, terms and conditions, and consumer protections to
16 ensure projects are able to be financed. To this end, and
17 unless otherwise required by the Illinois Commerce
18 Commission, the Adjustable Block program shall provide a
19 transparent annual schedule of prices and quantities to
20 enable the photovoltaic market to scale up and for
21 renewable energy credit prices to adjust at a predictable
22 rate over time. If administratively established, the ~~The~~
23 prices set by the Adjustable Block program can be
24 reflected as a set value or as the product of a formula.

25 The Adjustable Block program shall include for each
26 category of eligible projects for each delivery year: a

1 single block of nameplate capacity, a price for renewable
2 energy credits within that block, and the terms and
3 conditions for securing a spot on a waitlist once the
4 block is ~~: a schedule of standard block purchase prices to~~
5 ~~be offered; a series of steps, with associated nameplate~~
6 ~~capacity and purchase prices that adjust from step to~~
7 ~~step; and automatic opening of the next step as soon as the~~
8 ~~nameplate capacity and available purchase prices for an~~
9 ~~open step~~ are fully committed or reserved. Except as
10 outlined below, the waitlist of projects in a given year
11 will carry over to apply to the subsequent year when
12 another block is opened. Only projects energized on or
13 after June 1, 2017 shall be eligible for the Adjustable
14 Block program. For each category for each delivery year
15 ~~block group~~ the Agency shall determine ~~the number of~~
16 ~~blocks,~~ the amount of generation capacity in each block,
17 and the purchase price for each block, provided that the
18 purchase price provided and the total amount of generation
19 in all blocks for all categories ~~block groups~~ shall be
20 sufficient to meet the goals in this subsection (c). The
21 Agency shall strive to issue a single block sized to
22 provide for stability and market growth. The Agency shall
23 establish program eligibility requirements that ensure
24 that projects that enter the program are sufficiently
25 mature to indicate a demonstrable path to completion. The
26 Agency may periodically review its prior decisions

1 establishing the ~~number of blocks, the~~ amount of
2 generation capacity in each block, and the purchase price
3 for each block, and may propose, on an expedited basis,
4 changes to these previously set values, including but not
5 limited to redistributing these amounts and the available
6 funds as necessary and appropriate, subject to Commission
7 approval as part of the periodic plan revision process
8 described in Section 16-111.5 of the Public Utilities Act.
9 The Agency may define different block sizes, purchase
10 prices, or other distinct terms and conditions for
11 projects located in different utility service territories
12 if the Agency deems it necessary to meet the goals in this
13 subsection (c). The Agency may also consider and propose
14 alternative pricing and participation procedures for
15 projects participating in item (iii) of this subparagraph
16 (K), including competitive procurement processes or other
17 approaches used to ensure that renewable energy credit
18 prices remain low, with any such alternative pricing and
19 participation procedures subject to approval of the
20 Illinois Commerce Commission.

21 The Adjustable Block program shall include ~~at least~~
22 the following categories ~~block groups~~ in at least the
23 following amounts, ~~which may be adjusted upon review by~~
24 ~~the Agency and approval by the Commission as described in~~
25 ~~this subparagraph (K):~~

26 (i) At least 25% from distributed renewable energy

1 generation devices with a nameplate capacity of no
2 more than 25 ~~10~~ kilowatts. Any projects sized 10
3 kilowatts to 25 kilowatts on a waitlist for capacity
4 in item (ii) of this subparagraph (K) as of the
5 effective date of this amendatory Act of the 102nd
6 General Assembly shall not need to reapply to the
7 program or pay additional application fees. The Agency
8 may by rule create sub-categories within this category
9 to ensure adequate levels of residential customer
10 participation.

11 (ii) At least 30% ~~25%~~ from distributed renewable
12 energy generation devices with a nameplate capacity of
13 more than 25 ~~10~~ kilowatts and no more than 5,000 ~~2,000~~
14 kilowatts. The Agency may create sub-categories within
15 this category to account for the differences between
16 projects for small commercial customers, large
17 commercial customers, ~~and~~ public or non-profit
18 customers.

19 (iii) At least 40% ~~25%~~ from photovoltaic community
20 renewable generation projects described in items (I)
21 and (II) of this item (iii) of this subparagraph (K):-

22 (I) 75% of renewable energy credits from
23 projects selected to maximize cost efficiencies in
24 community solar project development and provide
25 cost-effective subscription costs. For the first
26 three delivery years after the Amendatory date of

1 this Act (including the delivery year in which
2 this Amendatory Act is enacted), projects shall be
3 selected from existing ordinal waitlists as
4 established by the Agency and shall be no greater
5 than 2,000 kilowatts in size. For all delivery
6 years thereafter, projects may be up to 10,000
7 kilowatts in size and shall be selected in
8 accordance with a new project application process
9 determined through the Agency's long-term
10 renewable resources procurement plan. The Agency
11 may also propose and the Commission may consider,
12 as part of the Agency's long-term renewable
13 resources procurement plan, alternative methods
14 for determining the renewable energy credit prices
15 applicable to projects participating in this
16 subparagraph, including competitive procurements
17 if so warranted.

18 (II) 5% of renewable energy credits from
19 projects selected intended to increase the variety
20 of community solar locations, models, and options
21 in Illinois, with those projects required to
22 provide more direct and tangible benefits to the
23 communities in which they operate. As part of its
24 long-term renewable resources procurement plan,
25 the Agency shall develop selection criteria for
26 projects participating in this category and shall

1 propose administratively established renewable
2 energy credit prices reflecting any increases in a
3 project's cost structure resultant from identified
4 beneficial project attributes. Selection criteria
5 may include, but need not be limited to,
6 development density of the community in which the
7 project is physically located, whether the project
8 was developed in response to a site-specific RFP
9 issued by a municipality or community group,
10 planned subscriber proximity to the project's
11 physical location, and other direct benefits to
12 the community in which the project is physically
13 located. Projects participating in this
14 subparagraph shall be no greater than 500
15 kilowatts in size.

16 (iv) The remaining 25% shall be allocated as
17 specified by the Agency in the long-term renewable
18 resources procurement plan. The IPA shall allocate any
19 discretionary capacity prior to the beginning of each
20 delivery year.

21 (v) To the extent there is uncontracted capacity
22 from any block in any of categories (i)-(iii) above at
23 the end of a delivery year, the Agency may
24 redistribute that capacity to one or more other
25 categories. The redistributed capacity shall be added
26 to the annual capacity in the subsequent delivery

1 year, and the applicable price for renewable energy
2 credits for that category shall be the price for the
3 new delivery year.

4 The Adjustable Block program shall be designed to
5 ensure that renewable energy credits are procured from
6 ~~photovoltaic distributed renewable energy generation~~
7 ~~devices and new photovoltaic community renewable energy~~
8 ~~generation~~ projects in diverse locations and are not
9 concentrated in a few regional geographic areas.

10 (L) The procurement of photovoltaic renewable energy
11 credits under items (i) through (iv) of subparagraph (K)
12 of this paragraph (1) shall be subject to the following
13 contract and payment terms:

14 (i) The Agency shall procure contracts of at least
15 15 years in length.

16 (ii) For those renewable energy credits that
17 qualify and are procured under item (i) of
18 subparagraph (K) of this paragraph (1), the renewable
19 energy credit delivery contract value ~~purchase price~~
20 shall be paid in full, based upon the estimated
21 generation during the first 15 years of operation, by
22 the contracting utilities at the time that the
23 facility producing the renewable energy credits is
24 interconnected at the distribution system level of the
25 utility and verified as energized and compliant by the
26 Program Administrator ~~and energized~~. The electric

1 utility shall receive and retire all renewable energy
2 credits generated by the project for the first 15
3 years of operation. Renewable energy credits generated
4 by the project thereafter shall not be transferred
5 under the renewable energy credit delivery contract
6 with the counterparty electric utility.

7 (iii) For those renewable energy credits that
8 qualify and are procured under item (ii) and (iii)(b)
9 of subparagraph (K) of this paragraph (1), 15 ~~and any~~
10 ~~additional categories of distributed generation~~
11 ~~included in the long-term renewable resources~~
12 ~~procurement plan and approved by the Commission, 20~~
13 percent of the renewable energy credit delivery
14 contract value, based upon the estimated generation
15 during the first 15 years of operation, purchase price
16 shall be paid by the contracting utilities at the time
17 that the facility producing the renewable energy
18 credits is interconnected at the distribution system
19 level of the utility and verified as ~~and~~ energized and
20 compliant by the Program Administrator. The remaining
21 portion shall be paid ratably over the subsequent
22 4-year period. The electric utility shall receive and
23 retire all renewable energy credits generated by the
24 project for the first 15 years of operation. Renewable
25 energy credits generated by the project thereafter
26 shall not be transferred under the renewable energy

1 credit delivery contract with the counterparty
2 electric utility.

3 (iv) For those renewable energy credits that
4 qualify and are procured under item (iii)(a) of
5 subparagraph (K) of this paragraph (1), the renewable
6 energy credit delivery contract shall be paid over the
7 delivery term based on actual deliveries up to an
8 annual cap based upon the estimated generation during
9 the first 15 years of operation, adjusted for actual
10 subscription levels calculated on an annual basis. The
11 electric utility shall receive and retire all
12 renewable energy credits generated by the project
13 during the first 15 years of operation. Renewable
14 energy credits generated by the project thereafter
15 shall not be transferred under the renewable energy
16 credit delivery contract with the counterparty
17 electric utility.

18 (v) ~~(iv)~~ Each contract shall include provisions to
19 ensure the delivery of the estimated quantity of
20 renewable energy credits including ongoing collateral
21 requirements and other contract provisions deemed
22 appropriate by the Agency ~~for the full term of the~~
23 contract.

24 (vi) ~~(v)~~ The utility shall be the counterparty to
25 the contracts executed under this subparagraph (L)
26 that are approved by the Commission under the process

1 described in Section 16-111.5 of the Public Utilities
2 Act. No contract shall be executed for an amount that
3 is less than one renewable energy credit per year.

4 (vii) ~~(vi)~~ If, at any time, approved applications
5 for the Adjustable Block program exceed funds
6 collected by the electric utility or would cause the
7 Agency to exceed the limitation described in
8 subparagraph (E) of this paragraph (1) on the amount
9 of renewable energy resources that may be procured,
10 then the Agency may ~~shall~~ consider future uncommitted
11 funds to be reserved for these contracts on a
12 first-come, first-served basis, ~~with the delivery of~~
13 ~~renewable energy credits required beginning at the~~
14 ~~time that the reserved funds become available.~~

15 (viii) ~~(vii)~~ Nothing in this Section shall require
16 the utility to advance any payment or pay any amounts
17 that exceed the actual amount of revenues anticipated
18 to be collected by the utility under paragraph (6) of
19 this subsection (c) and subsection (k) of Section
20 16-108 of the Public Utilities Act, inclusive of
21 eligible funds collected in prior years and
22 alternative compliance payments available for use by
23 the utility, and contracts executed under this Section
24 shall expressly incorporate this limitation.

25 (ix) Notwithstanding other requirements of this
26 subparagraph (L), no modification shall be required to

1 Adjustable Block Program renewable energy credit
2 delivery contracts if those contracts were executed
3 before new contract forms reflecting changes resultant
4 from this amendatory Act of the 102nd General Assembly
5 are finalized.

6 (M) The Agency shall be authorized to retain one or
7 more experts or expert consulting firms to develop,
8 administer, implement, operate, and evaluate the
9 Adjustable Block program described in subparagraph (K) of
10 this paragraph (1), and the Agency shall retain the
11 consultant or consultants in the same manner, to the
12 extent practicable, as the Agency retains others to
13 administer provisions of this Act, including, but not
14 limited to, the procurement administrator. The selection
15 of experts and expert consulting firms and the procurement
16 process described in this subparagraph (M) are exempt from
17 the requirements of Section 20-10 of the Illinois
18 Procurement Code, under Section 20-10 of that Code. The
19 Agency shall strive to minimize administrative expenses in
20 the implementation of the Adjustable Block program. Funds
21 needed to cover the administrative expenses for the
22 implementation of the Adjustable Block program shall not
23 be included as part of the limitations described in
24 subparagraph (E) of this subsection (c). Participating
25 electric utilities shall be entitled to recover any costs
26 detailed in this subparagraph (M) applicable to those

1 utilities through the automatic adjustment clause tariff
2 under subsection (k) of Section 16-108 of the Public
3 Utilities Act, regardless of whether the costs are subject
4 to the limitations described in subparagraph (E) of this
5 subsection (c).

6 The Program Administrator may also charge application
7 fees to participating firms to cover the cost of program
8 administration. Any application fee amounts shall
9 initially be determined through the long-term renewable
10 resources procurement plan, and modifications to any
11 application fee that deviate more than 25% from the
12 Commission's approved value must be approved by the
13 Commission as a long-term plan revision under Section
14 16-111.5 of the Public Utilities Act. The Agency shall
15 consider stakeholder feedback when making adjustments to
16 application fees and shall notify stakeholders in advance
17 of any planned changes.

18 In addition to covering the costs of program
19 administration, the Agency, in conjunction with its
20 Program Administrator, may also use the proceeds of such
21 fees charged to participating firms to support public
22 education and ongoing regional and national coordination
23 with nonprofit organizations, public bodies, and others
24 engaged in the implementation of renewable energy
25 incentive programs or similar initiatives. This work may
26 include developing papers and reports, hosting regional

1 and national conferences, and other work deemed necessary
2 by the Agency to position the State of Illinois as a
3 national leader in renewable energy incentive program
4 development and administration.

5 The Agency and its consultant or consultants shall
6 monitor block activity, share program activity with
7 stakeholders and conduct quarterly ~~regularly scheduled~~
8 meetings to discuss program activity and market
9 conditions. If necessary, the Agency may make prospective
10 administrative adjustments to the Adjustable Block program
11 design, such as ~~redistributing available funds or making~~
12 adjustments to purchase prices as necessary to achieve the
13 goals of this subsection (c). Program modifications to any
14 block price, capacity block, or other program element that
15 do not deviate from the Commission's approved value by
16 more than 10% ~~25%~~ shall take effect immediately and are
17 not subject to Commission review and approval. Program
18 modifications to any block price, capacity block, or other
19 ~~program element~~ that deviate more than 10% ~~25%~~ from the
20 Commission's approved value must be approved by the
21 Commission as a long-term plan amendment under Section
22 16-111.5 of the Public Utilities Act. The Agency shall
23 consider stakeholder feedback when making adjustments to
24 the Adjustable Block design and shall notify stakeholders
25 in advance of any planned changes.

26 The Agency and its program administrator shall,

1 consistent with the requirements of this subsection (c),
2 propose the Adjustable Block Program terms, conditions,
3 and requirements, including the prices to be paid for
4 renewable energy credits, where applicable, and
5 requirements applicable to participating entities and
6 project applications, through the development, review, and
7 approval of the Agency's long-term renewable resources
8 procurement plan described in subsection (c) of Section
9 1-75 of this Act and paragraph (5) of subsection (b) of
10 Section 16-111.5 of the Public Utilities Act. Revisions to
11 program terms, conditions, and requirements may be made by
12 the Agency between long-term renewable resource
13 procurement plan approval proceedings if accompanied by a
14 stakeholder review and comment process.

15 (N) ~~The long-term renewable resources procurement plan~~
16 ~~required by this subsection (c) shall include a community~~
17 ~~renewable generation program.~~ The Agency shall establish
18 the terms, conditions, and program requirements for
19 photovoltaic community renewable generation projects with
20 a goal to expand ~~renewable energy generating facility~~
21 access to a broader group of energy consumers, to ensure
22 robust participation opportunities for residential and
23 small commercial customers and those who cannot install
24 renewable energy on their own properties. Subject to
25 reasonable limitations, any ~~Any~~ plan approved by the
26 Commission shall allow subscriptions to community

1 renewable generation projects to be portable and
2 transferable. For purposes of this subparagraph (N),
3 "portable" means that subscriptions may be retained by the
4 subscriber even if the subscriber relocates or changes its
5 address within the same utility service territory; and
6 "transferable" means that a subscriber may assign or sell
7 subscriptions to another person within the same utility
8 service territory.

9 Through the development of its long-term renewable
10 resources procurement plan, the Agency may consider
11 whether community renewable generation projects utilizing
12 technologies other than photovoltaics should be supported
13 through State-administered incentive funding, and may
14 issue requests for information to gauge market demand.

15 Electric utilities shall provide a monetary credit to
16 a subscriber's subsequent bill for service for the
17 proportional output of a community renewable generation
18 project attributable to that subscriber as specified in
19 Section 16-107.5 of the Public Utilities Act.

20 The Agency shall purchase renewable energy credits
21 from subscribed shares of photovoltaic community renewable
22 generation projects through the Adjustable Block program
23 described in subparagraph (K) of this paragraph (1) or
24 through the Illinois Solar for All Program described in
25 Section 1-56 of this Act. The project shall be deemed to be
26 fully subscribed and the contracting utility shall

1 purchase all of the renewable energy credits from a
2 photovoltaic community renewable generation project as
3 long as a minimum of 90% of the project is subscribed. The
4 electric utility shall purchase any unsubscribed energy
5 from community renewable generation projects that are
6 Qualifying Facilities ("QF") under the electric utility's
7 tariff for purchasing the output from QFs under Public
8 Utilities Regulatory Policies Act of 1978.

9 The owners of and any subscribers to a community
10 renewable generation project shall not be considered
11 public utilities or alternative retail electricity
12 suppliers under the Public Utilities Act solely as a
13 result of their interest in or subscription to a community
14 renewable generation project and shall not be required to
15 become an alternative retail electric supplier by
16 participating in a community renewable generation project
17 with a public utility.

18 (O) For the delivery year beginning June 1, 2018, the
19 long-term renewable resources procurement plan required by
20 this subsection (c) shall provide for the Agency to
21 procure contracts to continue offering the Illinois Solar
22 for All Program described in subsection (b) of Section
23 1-56 of this Act, and the contracts approved by the
24 Commission shall be executed by the utilities that are
25 subject to this subsection (c). The long-term renewable
26 resources procurement plan shall allocate \$50,000,000 per

1 ~~delivery year 5% of the funds available under the plan for~~
2 ~~the applicable delivery year, or \$10,000,000 per delivery~~
3 ~~year, whichever is greater, to fund the programs, and the~~
4 plan shall determine the amount of funding to be
5 apportioned to the programs identified in subsection (b)
6 of Section 1-56 of this Act; provided that for the
7 delivery years beginning ~~June 1, 2017,~~ June 1, 2021, ~~and~~
8 June 1, 2024 2025, June 1, 2027, and June 1, 2030, an
9 additional \$30,000,000 ~~the long term renewable resources~~
10 ~~procurement plan shall allocate 10% of the funds available~~
11 ~~under the plan for the applicable delivery year, or~~
12 ~~\$20,000,000 per delivery year, whichever is greater, and~~
13 ~~\$10,000,000 of such funds in such year shall be provided~~
14 to the Department of Commerce and Economic Opportunity to
15 implement the workforce development programs and reporting
16 as outlined in used by an electric utility that serves
17 more than 3,000,000 retail customers in the State to
18 implement a Commission approved plan under Section
19 16-108.12 of the Public Utilities Act. Funds allocated
20 under this subparagraph (O) shall not be included as part
21 of the limitations described in subparagraph (E) of this
22 subsection (c). The utilities shall be entitled to recover
23 the total cost associated with procuring renewable energy
24 credits detailed in this subparagraph (O) regardless of
25 whether the costs are subject to the limitations described
26 in subparagraph (E) of this subsection (c) through the

1 automatic adjustment clause tariff under subsection (k) of
2 Section 16-108 of the Public Utilities Act. In making the
3 determinations required under this subparagraph (O), the
4 Commission shall consider the experience and performance
5 under the programs and any evaluation reports. The
6 Commission shall also provide for an independent
7 evaluation of these programs on a periodic basis that are
8 funded under this subparagraph (O).

9 (P) All programs and procurements under this
10 subsection (c) shall be designed to encourage
11 participating projects to use a diverse and equitable
12 workforce and a diverse set of contractors, including
13 minority-owned businesses, disadvantaged businesses,
14 trade unions, graduates of any workforce training programs
15 administered under this statute, and small businesses. As
16 part of its Long-Term Renewable Resources Procurement
17 Plan, the Agency shall create baseline labor standards for
18 firms participating in programs and procurements under
19 this subsection (c), including but not limited to project
20 labor agreements as required by Section 1-135.
21 Additionally, where applicable, the Agency shall
22 incorporate an equity points scoring system into its
23 project participation and selection processes conducted
24 under this subsection (c), as required by Section 1-145.
25 Participants determined to fail to meet those baseline
26 standards may be at risk of termination of renewable

1 energy credit delivery contracts or restrictions on
2 participation in any future programs and competitive
3 procurements conducted under this subsection or under
4 subsection (b) of Section 1-56 of this Act.

5 (2) (Blank).

6 (3) (Blank).

7 (4) The counterparty electric utility shall retire all
8 renewable energy credits used to comply with the standard.

9 (5) Beginning with the 2010 delivery year and ending
10 June 1, 2017, an electric utility subject to this
11 subsection (c) shall apply the lesser of the maximum
12 alternative compliance payment rate or the most recent
13 estimated alternative compliance payment rate for its
14 service territory for the corresponding compliance period,
15 established pursuant to subsection (d) of Section 16-115D
16 of the Public Utilities Act to its retail customers that
17 take service pursuant to the electric utility's hourly
18 pricing tariff or tariffs. The electric utility shall
19 retain all amounts collected as a result of the
20 application of the alternative compliance payment rate or
21 rates to such customers, and, beginning in 2011, the
22 utility shall include in the information provided under
23 item (1) of subsection (d) of Section 16-111.5 of the
24 Public Utilities Act the amounts collected under the
25 alternative compliance payment rate or rates for the prior
26 year ending May 31. Notwithstanding any limitation on the

1 procurement of renewable energy resources imposed by item
2 (2) of this subsection (c), the Agency shall increase its
3 spending on the purchase of renewable energy resources to
4 be procured by the electric utility for the next plan year
5 by an amount equal to the amounts collected by the utility
6 under the alternative compliance payment rate or rates in
7 the prior year ending May 31.

8 (6) The electric utility shall be entitled to recover
9 all of its costs associated with the procurement of
10 renewable energy credits under plans approved under this
11 Section and Section 16-111.5 of the Public Utilities Act.
12 These costs shall include associated reasonable expenses
13 for implementing the procurement programs, including, but
14 not limited to, the costs of administering and evaluating
15 the Adjustable Block program, through an automatic
16 adjustment clause tariff in accordance with subsection (k)
17 of Section 16-108 of the Public Utilities Act. The
18 administrative costs associated with implementing
19 procurement programs, including, but not limited to, the
20 costs of administering and evaluating the Adjustable Block
21 program shall not be included as part of the limitations
22 described in subparagraph (E) of this subsection (c).

23 (7) Renewable energy credits procured from new
24 photovoltaic projects or new distributed renewable energy
25 generation devices under this Section after June 1, 2017
26 (the effective date of Public Act 99-906) must be procured

1 from devices installed by a qualified person in compliance
2 with the requirements of Section 16-128A of the Public
3 Utilities Act and any rules or regulations adopted
4 thereunder.

5 In meeting the renewable energy requirements of this
6 subsection (c), to the extent feasible and consistent with
7 State and federal law, the renewable energy credit
8 procurements, Adjustable Block solar program, and
9 community renewable generation program shall provide
10 employment opportunities for all segments of the
11 population and workforce, including minority-owned and
12 female-owned business enterprises, and shall not,
13 consistent with State and federal law, discriminate based
14 on race or socioeconomic status.

15 (8) For the purposes of this Section, "install" means
16 to complete the electrical wiring and connections
17 necessary to interconnect the distributed generation
18 facility with the electric utility's distribution system
19 at the point of interconnection between the facility and
20 the utility. "Install" does not include:

21 (i) electrical wiring and connections to
22 interconnect the distributed generation facility
23 performed by utility workers on the electric utility's
24 distribution system;

25 (ii) electrical wiring and connections internal to
26 the distributed generation facility performed by the

1 manufacturer; or
2 (iii) tasks not associated with the electrical
3 interconnection of the distributed generation facility
4 and the utility, including those relating to planning
5 and project management performed by individuals such
6 as an inspector, management planner, consultant,
7 project designer, contractor or supervisor for the
8 project.

9 (d) Clean coal portfolio standard.

10 (1) The procurement plans shall include electricity
11 generated using clean coal. Each utility shall enter into
12 one or more sourcing agreements with the initial clean
13 coal facility, as provided in paragraph (3) of this
14 subsection (d), covering electricity generated by the
15 initial clean coal facility representing at least 5% of
16 each utility's total supply to serve the load of eligible
17 retail customers in 2015 and each year thereafter, as
18 described in paragraph (3) of this subsection (d), subject
19 to the limits specified in paragraph (2) of this
20 subsection (d). It is the goal of the State that by January
21 1, 2025, 25% of the electricity used in the State shall be
22 generated by cost-effective clean coal facilities. For
23 purposes of this subsection (d), "cost-effective" means
24 that the expenditures pursuant to such sourcing agreements
25 do not cause the limit stated in paragraph (2) of this
26 subsection (d) to be exceeded and do not exceed cost-based

1 benchmarks, which shall be developed to assess all
2 expenditures pursuant to such sourcing agreements covering
3 electricity generated by clean coal facilities, other than
4 the initial clean coal facility, by the procurement
5 administrator, in consultation with the Commission staff,
6 Agency staff, and the procurement monitor and shall be
7 subject to Commission review and approval.

8 A utility party to a sourcing agreement shall
9 immediately retire any emission credits that it receives
10 in connection with the electricity covered by such
11 agreement.

12 Utilities shall maintain adequate records documenting
13 the purchases under the sourcing agreement to comply with
14 this subsection (d) and shall file an accounting with the
15 load forecast that must be filed with the Agency by July 15
16 of each year, in accordance with subsection (d) of Section
17 16-111.5 of the Public Utilities Act.

18 A utility shall be deemed to have complied with the
19 clean coal portfolio standard specified in this subsection
20 (d) if the utility enters into a sourcing agreement as
21 required by this subsection (d).

22 (2) For purposes of this subsection (d), the required
23 execution of sourcing agreements with the initial clean
24 coal facility for a particular year shall be measured as a
25 percentage of the actual amount of electricity
26 (megawatt-hours) supplied by the electric utility to

1 eligible retail customers in the planning year ending
2 immediately prior to the agreement's execution. For
3 purposes of this subsection (d), the amount paid per
4 kilowatthour means the total amount paid for electric
5 service expressed on a per kilowatthour basis. For
6 purposes of this subsection (d), the total amount paid for
7 electric service includes without limitation amounts paid
8 for supply, transmission, distribution, surcharges and
9 add-on taxes.

10 Notwithstanding the requirements of this subsection
11 (d), the total amount paid under sourcing agreements with
12 clean coal facilities pursuant to the procurement plan for
13 any given year shall be reduced by an amount necessary to
14 limit the annual estimated average net increase due to the
15 costs of these resources included in the amounts paid by
16 eligible retail customers in connection with electric
17 service to:

18 (A) in 2010, no more than 0.5% of the amount paid
19 per kilowatthour by those customers during the year
20 ending May 31, 2009;

21 (B) in 2011, the greater of an additional 0.5% of
22 the amount paid per kilowatthour by those customers
23 during the year ending May 31, 2010 or 1% of the amount
24 paid per kilowatthour by those customers during the
25 year ending May 31, 2009;

26 (C) in 2012, the greater of an additional 0.5% of

1 the amount paid per kilowatthour by those customers
2 during the year ending May 31, 2011 or 1.5% of the
3 amount paid per kilowatthour by those customers during
4 the year ending May 31, 2009;

5 (D) in 2013, the greater of an additional 0.5% of
6 the amount paid per kilowatthour by those customers
7 during the year ending May 31, 2012 or 2% of the amount
8 paid per kilowatthour by those customers during the
9 year ending May 31, 2009; and

10 (E) thereafter, the total amount paid under
11 sourcing agreements with clean coal facilities
12 pursuant to the procurement plan for any single year
13 shall be reduced by an amount necessary to limit the
14 estimated average net increase due to the cost of
15 these resources included in the amounts paid by
16 eligible retail customers in connection with electric
17 service to no more than the greater of (i) 2.015% of
18 the amount paid per kilowatthour by those customers
19 during the year ending May 31, 2009 or (ii) the
20 incremental amount per kilowatthour paid for these
21 resources in 2013. These requirements may be altered
22 only as provided by statute.

23 No later than June 30, 2015, the Commission shall
24 review the limitation on the total amount paid under
25 sourcing agreements, if any, with clean coal facilities
26 pursuant to this subsection (d) and report to the General

1 Assembly its findings as to whether that limitation unduly
2 constrains the amount of electricity generated by
3 cost-effective clean coal facilities that is covered by
4 sourcing agreements.

5 (3) Initial clean coal facility. In order to promote
6 development of clean coal facilities in Illinois, each
7 electric utility subject to this Section shall execute a
8 sourcing agreement to source electricity from a proposed
9 clean coal facility in Illinois (the "initial clean coal
10 facility") that will have a nameplate capacity of at least
11 500 MW when commercial operation commences, that has a
12 final Clean Air Act permit on June 1, 2009 (the effective
13 date of Public Act 95-1027), and that will meet the
14 definition of clean coal facility in Section 1-10 of this
15 Act when commercial operation commences. The sourcing
16 agreements with this initial clean coal facility shall be
17 subject to both approval of the initial clean coal
18 facility by the General Assembly and satisfaction of the
19 requirements of paragraph (4) of this subsection (d) and
20 shall be executed within 90 days after any such approval
21 by the General Assembly. The Agency and the Commission
22 shall have authority to inspect all books and records
23 associated with the initial clean coal facility during the
24 term of such a sourcing agreement. A utility's sourcing
25 agreement for electricity produced by the initial clean
26 coal facility shall include:

1 (A) a formula contractual price (the "contract
2 price") approved pursuant to paragraph (4) of this
3 subsection (d), which shall:

4 (i) be determined using a cost of service
5 methodology employing either a level or deferred
6 capital recovery component, based on a capital
7 structure consisting of 45% equity and 55% debt,
8 and a return on equity as may be approved by the
9 Federal Energy Regulatory Commission, which in any
10 case may not exceed the lower of 11.5% or the rate
11 of return approved by the General Assembly
12 pursuant to paragraph (4) of this subsection (d);
13 and

14 (ii) provide that all miscellaneous net
15 revenue, including but not limited to net revenue
16 from the sale of emission allowances, if any,
17 substitute natural gas, if any, grants or other
18 support provided by the State of Illinois or the
19 United States Government, firm transmission
20 rights, if any, by-products produced by the
21 facility, energy or capacity derived from the
22 facility and not covered by a sourcing agreement
23 pursuant to paragraph (3) of this subsection (d)
24 or item (5) of subsection (d) of Section 16-115 of
25 the Public Utilities Act, whether generated from
26 the synthesis gas derived from coal, from SNG, or

1 from natural gas, shall be credited against the
2 revenue requirement for this initial clean coal
3 facility;

4 (B) power purchase provisions, which shall:

5 (i) provide that the utility party to such
6 sourcing agreement shall pay the contract price
7 for electricity delivered under such sourcing
8 agreement;

9 (ii) require delivery of electricity to the
10 regional transmission organization market of the
11 utility that is party to such sourcing agreement;

12 (iii) require the utility party to such
13 sourcing agreement to buy from the initial clean
14 coal facility in each hour an amount of energy
15 equal to all clean coal energy made available from
16 the initial clean coal facility during such hour
17 times a fraction, the numerator of which is such
18 utility's retail market sales of electricity
19 (expressed in kilowatthours sold) in the State
20 during the prior calendar month and the
21 denominator of which is the total retail market
22 sales of electricity (expressed in kilowatthours
23 sold) in the State by utilities during such prior
24 month and the sales of electricity (expressed in
25 kilowatthours sold) in the State by alternative
26 retail electric suppliers during such prior month

1 that are subject to the requirements of this
2 subsection (d) and paragraph (5) of subsection (d)
3 of Section 16-115 of the Public Utilities Act,
4 provided that the amount purchased by the utility
5 in any year will be limited by paragraph (2) of
6 this subsection (d); and

7 (iv) be considered pre-existing contracts in
8 such utility's procurement plans for eligible
9 retail customers;

10 (C) contract for differences provisions, which
11 shall:

12 (i) require the utility party to such sourcing
13 agreement to contract with the initial clean coal
14 facility in each hour with respect to an amount of
15 energy equal to all clean coal energy made
16 available from the initial clean coal facility
17 during such hour times a fraction, the numerator
18 of which is such utility's retail market sales of
19 electricity (expressed in kilowatthours sold) in
20 the utility's service territory in the State
21 during the prior calendar month and the
22 denominator of which is the total retail market
23 sales of electricity (expressed in kilowatthours
24 sold) in the State by utilities during such prior
25 month and the sales of electricity (expressed in
26 kilowatthours sold) in the State by alternative

1 retail electric suppliers during such prior month
2 that are subject to the requirements of this
3 subsection (d) and paragraph (5) of subsection (d)
4 of Section 16-115 of the Public Utilities Act,
5 provided that the amount paid by the utility in
6 any year will be limited by paragraph (2) of this
7 subsection (d);

8 (ii) provide that the utility's payment
9 obligation in respect of the quantity of
10 electricity determined pursuant to the preceding
11 clause (i) shall be limited to an amount equal to
12 (1) the difference between the contract price
13 determined pursuant to subparagraph (A) of
14 paragraph (3) of this subsection (d) and the
15 day-ahead price for electricity delivered to the
16 regional transmission organization market of the
17 utility that is party to such sourcing agreement
18 (or any successor delivery point at which such
19 utility's supply obligations are financially
20 settled on an hourly basis) (the "reference
21 price") on the day preceding the day on which the
22 electricity is delivered to the initial clean coal
23 facility busbar, multiplied by (2) the quantity of
24 electricity determined pursuant to the preceding
25 clause (i); and

26 (iii) not require the utility to take physical

1 delivery of the electricity produced by the
2 facility;

3 (D) general provisions, which shall:

4 (i) specify a term of no more than 30 years,
5 commencing on the commercial operation date of the
6 facility;

7 (ii) provide that utilities shall maintain
8 adequate records documenting purchases under the
9 sourcing agreements entered into to comply with
10 this subsection (d) and shall file an accounting
11 with the load forecast that must be filed with the
12 Agency by July 15 of each year, in accordance with
13 subsection (d) of Section 16-111.5 of the Public
14 Utilities Act;

15 (iii) provide that all costs associated with
16 the initial clean coal facility will be
17 periodically reported to the Federal Energy
18 Regulatory Commission and to purchasers in
19 accordance with applicable laws governing
20 cost-based wholesale power contracts;

21 (iv) permit the Illinois Power Agency to
22 assume ownership of the initial clean coal
23 facility, without monetary consideration and
24 otherwise on reasonable terms acceptable to the
25 Agency, if the Agency so requests no less than 3
26 years prior to the end of the stated contract

1 term;

2 (v) require the owner of the initial clean
3 coal facility to provide documentation to the
4 Commission each year, starting in the facility's
5 first year of commercial operation, accurately
6 reporting the quantity of carbon emissions from
7 the facility that have been captured and
8 sequestered and report any quantities of carbon
9 released from the site or sites at which carbon
10 emissions were sequestered in prior years, based
11 on continuous monitoring of such sites. If, in any
12 year after the first year of commercial operation,
13 the owner of the facility fails to demonstrate
14 that the initial clean coal facility captured and
15 sequestered at least 50% of the total carbon
16 emissions that the facility would otherwise emit
17 or that sequestration of emissions from prior
18 years has failed, resulting in the release of
19 carbon dioxide into the atmosphere, the owner of
20 the facility must offset excess emissions. Any
21 such carbon offsets must be permanent, additional,
22 verifiable, real, located within the State of
23 Illinois, and legally and practicably enforceable.
24 The cost of such offsets for the facility that are
25 not recoverable shall not exceed \$15 million in
26 any given year. No costs of any such purchases of

1 carbon offsets may be recovered from a utility or
2 its customers. All carbon offsets purchased for
3 this purpose and any carbon emission credits
4 associated with sequestration of carbon from the
5 facility must be permanently retired. The initial
6 clean coal facility shall not forfeit its
7 designation as a clean coal facility if the
8 facility fails to fully comply with the applicable
9 carbon sequestration requirements in any given
10 year, provided the requisite offsets are
11 purchased. However, the Attorney General, on
12 behalf of the People of the State of Illinois, may
13 specifically enforce the facility's sequestration
14 requirement and the other terms of this contract
15 provision. Compliance with the sequestration
16 requirements and offset purchase requirements
17 specified in paragraph (3) of this subsection (d)
18 shall be reviewed annually by an independent
19 expert retained by the owner of the initial clean
20 coal facility, with the advance written approval
21 of the Attorney General. The Commission may, in
22 the course of the review specified in item (vii),
23 reduce the allowable return on equity for the
24 facility if the facility willfully fails to comply
25 with the carbon capture and sequestration
26 requirements set forth in this item (v);

1 (vi) include limits on, and accordingly
2 provide for modification of, the amount the
3 utility is required to source under the sourcing
4 agreement consistent with paragraph (2) of this
5 subsection (d);

6 (vii) require Commission review: (1) to
7 determine the justness, reasonableness, and
8 prudence of the inputs to the formula referenced
9 in subparagraphs (A)(i) through (A)(iii) of
10 paragraph (3) of this subsection (d), prior to an
11 adjustment in those inputs including, without
12 limitation, the capital structure and return on
13 equity, fuel costs, and other operations and
14 maintenance costs and (2) to approve the costs to
15 be passed through to customers under the sourcing
16 agreement by which the utility satisfies its
17 statutory obligations. Commission review shall
18 occur no less than every 3 years, regardless of
19 whether any adjustments have been proposed, and
20 shall be completed within 9 months;

21 (viii) limit the utility's obligation to such
22 amount as the utility is allowed to recover
23 through tariffs filed with the Commission,
24 provided that neither the clean coal facility nor
25 the utility waives any right to assert federal
26 pre-emption or any other argument in response to a

1 purported disallowance of recovery costs;

2 (ix) limit the utility's or alternative retail
3 electric supplier's obligation to incur any
4 liability until such time as the facility is in
5 commercial operation and generating power and
6 energy and such power and energy is being
7 delivered to the facility busbar;

8 (x) provide that the owner or owners of the
9 initial clean coal facility, which is the
10 counterparty to such sourcing agreement, shall
11 have the right from time to time to elect whether
12 the obligations of the utility party thereto shall
13 be governed by the power purchase provisions or
14 the contract for differences provisions;

15 (xi) append documentation showing that the
16 formula rate and contract, insofar as they relate
17 to the power purchase provisions, have been
18 approved by the Federal Energy Regulatory
19 Commission pursuant to Section 205 of the Federal
20 Power Act;

21 (xii) provide that any changes to the terms of
22 the contract, insofar as such changes relate to
23 the power purchase provisions, are subject to
24 review under the public interest standard applied
25 by the Federal Energy Regulatory Commission
26 pursuant to Sections 205 and 206 of the Federal

1 Power Act; and
2 (xiii) conform with customary lender
3 requirements in power purchase agreements used as
4 the basis for financing non-utility generators.

5 (4) Effective date of sourcing agreements with the
6 initial clean coal facility. Any proposed sourcing
7 agreement with the initial clean coal facility shall not
8 become effective unless the following reports are prepared
9 and submitted and authorizations and approvals obtained:

10 (i) Facility cost report. The owner of the initial
11 clean coal facility shall submit to the Commission,
12 the Agency, and the General Assembly a front-end
13 engineering and design study, a facility cost report,
14 method of financing (including but not limited to
15 structure and associated costs), and an operating and
16 maintenance cost quote for the facility (collectively
17 "facility cost report"), which shall be prepared in
18 accordance with the requirements of this paragraph (4)
19 of subsection (d) of this Section, and shall provide
20 the Commission and the Agency access to the work
21 papers, relied upon documents, and any other backup
22 documentation related to the facility cost report.

23 (ii) Commission report. Within 6 months following
24 receipt of the facility cost report, the Commission,
25 in consultation with the Agency, shall submit a report
26 to the General Assembly setting forth its analysis of

1 the facility cost report. Such report shall include,
2 but not be limited to, a comparison of the costs
3 associated with electricity generated by the initial
4 clean coal facility to the costs associated with
5 electricity generated by other types of generation
6 facilities, an analysis of the rate impacts on
7 residential and small business customers over the life
8 of the sourcing agreements, and an analysis of the
9 likelihood that the initial clean coal facility will
10 commence commercial operation by and be delivering
11 power to the facility's busbar by 2016. To assist in
12 the preparation of its report, the Commission, in
13 consultation with the Agency, may hire one or more
14 experts or consultants, the costs of which shall be
15 paid for by the owner of the initial clean coal
16 facility. The Commission and Agency may begin the
17 process of selecting such experts or consultants prior
18 to receipt of the facility cost report.

19 (iii) General Assembly approval. The proposed
20 sourcing agreements shall not take effect unless,
21 based on the facility cost report and the Commission's
22 report, the General Assembly enacts authorizing
23 legislation approving (A) the projected price, stated
24 in cents per kilowatthour, to be charged for
25 electricity generated by the initial clean coal
26 facility, (B) the projected impact on residential and

1 small business customers' bills over the life of the
2 sourcing agreements, and (C) the maximum allowable
3 return on equity for the project; and

4 (iv) Commission review. If the General Assembly
5 enacts authorizing legislation pursuant to
6 subparagraph (iii) approving a sourcing agreement, the
7 Commission shall, within 90 days of such enactment,
8 complete a review of such sourcing agreement. During
9 such time period, the Commission shall implement any
10 directive of the General Assembly, resolve any
11 disputes between the parties to the sourcing agreement
12 concerning the terms of such agreement, approve the
13 form of such agreement, and issue an order finding
14 that the sourcing agreement is prudent and reasonable.
15 The facility cost report shall be prepared as follows:

16 (A) The facility cost report shall be prepared by
17 duly licensed engineering and construction firms
18 detailing the estimated capital costs payable to one
19 or more contractors or suppliers for the engineering,
20 procurement and construction of the components
21 comprising the initial clean coal facility and the
22 estimated costs of operation and maintenance of the
23 facility. The facility cost report shall include:

24 (i) an estimate of the capital cost of the
25 core plant based on one or more front end
26 engineering and design studies for the

1 gasification island and related facilities. The
2 core plant shall include all civil, structural,
3 mechanical, electrical, control, and safety
4 systems.

5 (ii) an estimate of the capital cost of the
6 balance of the plant, including any capital costs
7 associated with sequestration of carbon dioxide
8 emissions and all interconnects and interfaces
9 required to operate the facility, such as
10 transmission of electricity, construction or
11 backfeed power supply, pipelines to transport
12 substitute natural gas or carbon dioxide, potable
13 water supply, natural gas supply, water supply,
14 water discharge, landfill, access roads, and coal
15 delivery.

16 The quoted construction costs shall be expressed
17 in nominal dollars as of the date that the quote is
18 prepared and shall include capitalized financing costs
19 during construction, taxes, insurance, and other
20 owner's costs, and an assumed escalation in materials
21 and labor beyond the date as of which the construction
22 cost quote is expressed.

23 (B) The front end engineering and design study for
24 the gasification island and the cost study for the
25 balance of plant shall include sufficient design work
26 to permit quantification of major categories of

1 materials, commodities and labor hours, and receipt of
2 quotes from vendors of major equipment required to
3 construct and operate the clean coal facility.

4 (C) The facility cost report shall also include an
5 operating and maintenance cost quote that will provide
6 the estimated cost of delivered fuel, personnel,
7 maintenance contracts, chemicals, catalysts,
8 consumables, spares, and other fixed and variable
9 operations and maintenance costs. The delivered fuel
10 cost estimate will be provided by a recognized third
11 party expert or experts in the fuel and transportation
12 industries. The balance of the operating and
13 maintenance cost quote, excluding delivered fuel
14 costs, will be developed based on the inputs provided
15 by duly licensed engineering and construction firms
16 performing the construction cost quote, potential
17 vendors under long-term service agreements and plant
18 operating agreements, or recognized third party plant
19 operator or operators.

20 The operating and maintenance cost quote
21 (including the cost of the front end engineering and
22 design study) shall be expressed in nominal dollars as
23 of the date that the quote is prepared and shall
24 include taxes, insurance, and other owner's costs, and
25 an assumed escalation in materials and labor beyond
26 the date as of which the operating and maintenance

1 cost quote is expressed.

2 (D) The facility cost report shall also include an
3 analysis of the initial clean coal facility's ability
4 to deliver power and energy into the applicable
5 regional transmission organization markets and an
6 analysis of the expected capacity factor for the
7 initial clean coal facility.

8 (E) Amounts paid to third parties unrelated to the
9 owner or owners of the initial clean coal facility to
10 prepare the core plant construction cost quote,
11 including the front end engineering and design study,
12 and the operating and maintenance cost quote will be
13 reimbursed through Coal Development Bonds.

14 (5) Re-powering and retrofitting coal-fired power
15 plants previously owned by Illinois utilities to qualify
16 as clean coal facilities. During the 2009 procurement
17 planning process and thereafter, the Agency and the
18 Commission shall consider sourcing agreements covering
19 electricity generated by power plants that were previously
20 owned by Illinois utilities and that have been or will be
21 converted into clean coal facilities, as defined by
22 Section 1-10 of this Act. Pursuant to such procurement
23 planning process, the owners of such facilities may
24 propose to the Agency sourcing agreements with utilities
25 and alternative retail electric suppliers required to
26 comply with subsection (d) of this Section and item (5) of

1 subsection (d) of Section 16-115 of the Public Utilities
2 Act, covering electricity generated by such facilities. In
3 the case of sourcing agreements that are power purchase
4 agreements, the contract price for electricity sales shall
5 be established on a cost of service basis. In the case of
6 sourcing agreements that are contracts for differences,
7 the contract price from which the reference price is
8 subtracted shall be established on a cost of service
9 basis. The Agency and the Commission may approve any such
10 utility sourcing agreements that do not exceed cost-based
11 benchmarks developed by the procurement administrator, in
12 consultation with the Commission staff, Agency staff and
13 the procurement monitor, subject to Commission review and
14 approval. The Commission shall have authority to inspect
15 all books and records associated with these clean coal
16 facilities during the term of any such contract.

17 (6) Costs incurred under this subsection (d) or
18 pursuant to a contract entered into under this subsection
19 (d) shall be deemed prudently incurred and reasonable in
20 amount and the electric utility shall be entitled to full
21 cost recovery pursuant to the tariffs filed with the
22 Commission.

23 (d-5) Zero emission standard.

24 (1) Beginning with the delivery year commencing on
25 June 1, 2017, the Agency shall, for electric utilities
26 that serve at least 100,000 retail customers in this

1 State, procure contracts with zero emission facilities
2 that are reasonably capable of generating cost-effective
3 zero emission credits in an amount approximately equal to
4 16% of the actual amount of electricity delivered by each
5 electric utility to retail customers in the State during
6 calendar year 2014. For an electric utility serving fewer
7 than 100,000 retail customers in this State that
8 requested, under Section 16-111.5 of the Public Utilities
9 Act, that the Agency procure power and energy for all or a
10 portion of the utility's Illinois load for the delivery
11 year commencing June 1, 2016, the Agency shall procure
12 contracts with zero emission facilities that are
13 reasonably capable of generating cost-effective zero
14 emission credits in an amount approximately equal to 16%
15 of the portion of power and energy to be procured by the
16 Agency for the utility. The duration of the contracts
17 procured under this subsection (d-5) shall be for a term
18 of 10 years ending May 31, 2027. The quantity of zero
19 emission credits to be procured under the contracts shall
20 be all of the zero emission credits generated by the zero
21 emission facility in each delivery year; however, if the
22 zero emission facility is owned by more than one entity,
23 then the quantity of zero emission credits to be procured
24 under the contracts shall be the amount of zero emission
25 credits that are generated from the portion of the zero
26 emission facility that is owned by the winning supplier.

1 The 16% value identified in this paragraph (1) is the
2 average of the percentage targets in subparagraph (B) of
3 paragraph (1) of subsection (c) of this Section for the 5
4 delivery years beginning June 1, 2017.

5 The procurement process shall be subject to the
6 following provisions:

7 (A) Those zero emission facilities that intend to
8 participate in the procurement shall submit to the
9 Agency the following eligibility information for each
10 zero emission facility on or before the date
11 established by the Agency:

12 (i) the in-service date and remaining useful
13 life of the zero emission facility;

14 (ii) the amount of power generated annually
15 for each of the years 2005 through 2015, and the
16 projected zero emission credits to be generated
17 over the remaining useful life of the zero
18 emission facility, which shall be used to
19 determine the capability of each facility;

20 (iii) the annual zero emission facility cost
21 projections, expressed on a per megawatthour
22 basis, over the next 6 delivery years, which shall
23 include the following: operation and maintenance
24 expenses; fully allocated overhead costs, which
25 shall be allocated using the methodology developed
26 by the Institute for Nuclear Power Operations;

1 fuel expenditures; non-fuel capital expenditures;
2 spent fuel expenditures; a return on working
3 capital; the cost of operational and market risks
4 that could be avoided by ceasing operation; and
5 any other costs necessary for continued
6 operations, provided that "necessary" means, for
7 purposes of this item (iii), that the costs could
8 reasonably be avoided only by ceasing operations
9 of the zero emission facility; and

10 (iv) a commitment to continue operating, for
11 the duration of the contract or contracts executed
12 under the procurement held under this subsection
13 (d-5), the zero emission facility that produces
14 the zero emission credits to be procured in the
15 procurement.

16 The information described in item (iii) of this
17 subparagraph (A) may be submitted on a confidential
18 basis and shall be treated and maintained by the
19 Agency, the procurement administrator, and the
20 Commission as confidential and proprietary and exempt
21 from disclosure under subparagraphs (a) and (g) of
22 paragraph (1) of Section 7 of the Freedom of
23 Information Act. The Office of Attorney General shall
24 have access to, and maintain the confidentiality of,
25 such information pursuant to Section 6.5 of the
26 Attorney General Act.

1 (B) The price for each zero emission credit
2 procured under this subsection (d-5) for each delivery
3 year shall be in an amount that equals the Social Cost
4 of Carbon, expressed on a price per megawatthour
5 basis. However, to ensure that the procurement remains
6 affordable to retail customers in this State if
7 electricity prices increase, the price in an
8 applicable delivery year shall be reduced below the
9 Social Cost of Carbon by the amount ("Price
10 Adjustment") by which the market price index for the
11 applicable delivery year exceeds the baseline market
12 price index for the consecutive 12-month period ending
13 May 31, 2016. If the Price Adjustment is greater than
14 or equal to the Social Cost of Carbon in an applicable
15 delivery year, then no payments shall be due in that
16 delivery year. The components of this calculation are
17 defined as follows:

18 (i) Social Cost of Carbon: The Social Cost of
19 Carbon is \$16.50 per megawatthour, which is based
20 on the U.S. Interagency Working Group on Social
21 Cost of Carbon's price in the August 2016
22 Technical Update using a 3% discount rate,
23 adjusted for inflation for each year of the
24 program. Beginning with the delivery year
25 commencing June 1, 2023, the price per
26 megawatthour shall increase by \$1 per

1 megawatthour, and continue to increase by an
2 additional \$1 per megawatthour each delivery year
3 thereafter.

4 (ii) Baseline market price index: The baseline
5 market price index for the consecutive 12-month
6 period ending May 31, 2016 is \$31.40 per
7 megawatthour, which is based on the sum of (aa)
8 the average day-ahead energy price across all
9 hours of such 12-month period at the PJM
10 Interconnection LLC Northern Illinois Hub, (bb)
11 50% multiplied by the Base Residual Auction, or
12 its successor, capacity price for the rest of the
13 RTO zone group determined by PJM Interconnection
14 LLC, divided by 24 hours per day, and (cc) 50%
15 multiplied by the Planning Resource Auction, or
16 its successor, capacity price for Zone 4
17 determined by the Midcontinent Independent System
18 Operator, Inc., divided by 24 hours per day.

19 (iii) Market price index: The market price
20 index for a delivery year shall be the sum of
21 projected energy prices and projected capacity
22 prices determined as follows:

23 (aa) Projected energy prices: the
24 projected energy prices for the applicable
25 delivery year shall be calculated once for the
26 year using the forward market price for the

1 PJM Interconnection, LLC Northern Illinois
2 Hub. The forward market price shall be
3 calculated as follows: the energy forward
4 prices for each month of the applicable
5 delivery year averaged for each trade date
6 during the calendar year immediately preceding
7 that delivery year to produce a single energy
8 forward price for the delivery year. The
9 forward market price calculation shall use
10 data published by the Intercontinental
11 Exchange, or its successor.

12 (bb) Projected capacity prices:

13 (I) For the delivery years commencing
14 June 1, 2017, June 1, 2018, and June 1,
15 2019, the projected capacity price shall
16 be equal to the sum of (1) 50% multiplied
17 by the Base Residual Auction, or its
18 successor, price for the rest of the RTO
19 zone group as determined by PJM
20 Interconnection LLC, divided by 24 hours
21 per day and, (2) 50% multiplied by the
22 resource auction price determined in the
23 resource auction administered by the
24 Midcontinent Independent System Operator,
25 Inc., in which the largest percentage of
26 load cleared for Local Resource Zone 4,

1 divided by 24 hours per day, and where
2 such price is determined by the
3 Midcontinent Independent System Operator,
4 Inc.

5 (II) For the delivery year commencing
6 June 1, 2020, and each year thereafter,
7 the projected capacity price shall be
8 equal to the sum of (1) 50% multiplied by
9 the Base Residual Auction, or its
10 successor, price for the ComEd zone as
11 determined by PJM Interconnection LLC,
12 divided by 24 hours per day, and (2) 50%
13 multiplied by the resource auction price
14 determined in the resource auction
15 administered by the Midcontinent
16 Independent System Operator, Inc., in
17 which the largest percentage of load
18 cleared for Local Resource Zone 4, divided
19 by 24 hours per day, and where such price
20 is determined by the Midcontinent
21 Independent System Operator, Inc.

22 For purposes of this subsection (d-5):

23 "Rest of the RTO" and "ComEd Zone" shall have
24 the meaning ascribed to them by PJM
25 Interconnection, LLC.

26 "RTO" means regional transmission

1 organization.

2 (C) No later than 45 days after June 1, 2017 (the
3 effective date of Public Act 99-906), the Agency shall
4 publish its proposed zero emission standard
5 procurement plan. The plan shall be consistent with
6 the provisions of this paragraph (1) and shall provide
7 that winning bids shall be selected based on public
8 interest criteria that include, but are not limited
9 to, minimizing carbon dioxide emissions that result
10 from electricity consumed in Illinois and minimizing
11 sulfur dioxide, nitrogen oxide, and particulate matter
12 emissions that adversely affect the citizens of this
13 State. In particular, the selection of winning bids
14 shall take into account the incremental environmental
15 benefits resulting from the procurement, such as any
16 existing environmental benefits that are preserved by
17 the procurements held under Public Act 99-906 and
18 would cease to exist if the procurements were not
19 held, including the preservation of zero emission
20 facilities. The plan shall also describe in detail how
21 each public interest factor shall be considered and
22 weighted in the bid selection process to ensure that
23 the public interest criteria are applied to the
24 procurement and given full effect.

25 For purposes of developing the plan, the Agency
26 shall consider any reports issued by a State agency,

1 board, or commission under House Resolution 1146 of
2 the 98th General Assembly and paragraph (4) of
3 subsection (d) of this Section, as well as publicly
4 available analyses and studies performed by or for
5 regional transmission organizations that serve the
6 State and their independent market monitors.

7 Upon publishing of the zero emission standard
8 procurement plan, copies of the plan shall be posted
9 and made publicly available on the Agency's website.
10 All interested parties shall have 10 days following
11 the date of posting to provide comment to the Agency on
12 the plan. All comments shall be posted to the Agency's
13 website. Following the end of the comment period, but
14 no more than 60 days later than June 1, 2017 (the
15 effective date of Public Act 99-906), the Agency shall
16 revise the plan as necessary based on the comments
17 received and file its zero emission standard
18 procurement plan with the Commission.

19 If the Commission determines that the plan will
20 result in the procurement of cost-effective zero
21 emission credits, then the Commission shall, after
22 notice and hearing, but no later than 45 days after the
23 Agency filed the plan, approve the plan or approve
24 with modification. For purposes of this subsection
25 (d-5), "cost effective" means the projected costs of
26 procuring zero emission credits from zero emission

1 facilities do not cause the limit stated in paragraph
2 (2) of this subsection to be exceeded.

3 (C-5) As part of the Commission's review and
4 acceptance or rejection of the procurement results,
5 the Commission shall, in its public notice of
6 successful bidders:

7 (i) identify how the winning bids satisfy the
8 public interest criteria described in subparagraph
9 (C) of this paragraph (1) of minimizing carbon
10 dioxide emissions that result from electricity
11 consumed in Illinois and minimizing sulfur
12 dioxide, nitrogen oxide, and particulate matter
13 emissions that adversely affect the citizens of
14 this State;

15 (ii) specifically address how the selection of
16 winning bids takes into account the incremental
17 environmental benefits resulting from the
18 procurement, including any existing environmental
19 benefits that are preserved by the procurements
20 held under Public Act 99-906 and would have ceased
21 to exist if the procurements had not been held,
22 such as the preservation of zero emission
23 facilities;

24 (iii) quantify the environmental benefit of
25 preserving the resources identified in item (ii)
26 of this subparagraph (C-5), including the

1 following:

2 (aa) the value of avoided greenhouse gas
3 emissions measured as the product of the zero
4 emission facilities' output over the contract
5 term multiplied by the U.S. Environmental
6 Protection Agency eGrid subregion carbon
7 dioxide emission rate and the U.S. Interagency
8 Working Group on Social Cost of Carbon's price
9 in the August 2016 Technical Update using a 3%
10 discount rate, adjusted for inflation for each
11 delivery year; and

12 (bb) the costs of replacement with other
13 zero carbon dioxide resources, including wind
14 and photovoltaic, based upon the simple
15 average of the following:

16 (I) the price, or if there is more
17 than one price, the average of the prices,
18 paid for renewable energy credits from new
19 utility-scale wind projects in the
20 procurement events specified in item (i)
21 of subparagraph (G) of paragraph (1) of
22 subsection (c) of this Section; and

23 (II) the price, or if there is more
24 than one price, the average of the prices,
25 paid for renewable energy credits from new
26 utility-scale solar projects and

1 brownfield site photovoltaic projects in
2 the procurement events specified in item
3 (ii) of subparagraph (G) of paragraph (1)
4 of subsection (c) of this Section and,
5 after January 1, 2015, renewable energy
6 credits from photovoltaic distributed
7 generation projects in procurement events
8 held under subsection (c) of this Section.

9 Each utility shall enter into binding contractual
10 arrangements with the winning suppliers.

11 The procurement described in this subsection
12 (d-5), including, but not limited to, the execution of
13 all contracts procured, shall be completed no later
14 than May 10, 2017. Based on the effective date of
15 Public Act 99-906, the Agency and Commission may, as
16 appropriate, modify the various dates and timelines
17 under this subparagraph and subparagraphs (C) and (D)
18 of this paragraph (1). The procurement and plan
19 approval processes required by this subsection (d-5)
20 shall be conducted in conjunction with the procurement
21 and plan approval processes required by subsection (c)
22 of this Section and Section 16-111.5 of the Public
23 Utilities Act, to the extent practicable.
24 Notwithstanding whether a procurement event is
25 conducted under Section 16-111.5 of the Public
26 Utilities Act, the Agency shall immediately initiate a

1 procurement process on June 1, 2017 (the effective
2 date of Public Act 99-906).

3 (D) Following the procurement event described in
4 this paragraph (1) and consistent with subparagraph
5 (B) of this paragraph (1), the Agency shall calculate
6 the payments to be made under each contract for the
7 next delivery year based on the market price index for
8 that delivery year. The Agency shall publish the
9 payment calculations no later than May 25, 2017 and
10 every May 25 thereafter.

11 (E) Notwithstanding the requirements of this
12 subsection (d-5), the contracts executed under this
13 subsection (d-5) shall provide that the zero emission
14 facility may, as applicable, suspend or terminate
15 performance under the contracts in the following
16 instances:

17 (i) A zero emission facility shall be excused
18 from its performance under the contract for any
19 cause beyond the control of the resource,
20 including, but not restricted to, acts of God,
21 flood, drought, earthquake, storm, fire,
22 lightning, epidemic, war, riot, civil disturbance
23 or disobedience, labor dispute, labor or material
24 shortage, sabotage, acts of public enemy,
25 explosions, orders, regulations or restrictions
26 imposed by governmental, military, or lawfully

1 established civilian authorities, which, in any of
2 the foregoing cases, by exercise of commercially
3 reasonable efforts the zero emission facility
4 could not reasonably have been expected to avoid,
5 and which, by the exercise of commercially
6 reasonable efforts, it has been unable to
7 overcome. In such event, the zero emission
8 facility shall be excused from performance for the
9 duration of the event, including, but not limited
10 to, delivery of zero emission credits, and no
11 payment shall be due to the zero emission facility
12 during the duration of the event.

13 (ii) A zero emission facility shall be
14 permitted to terminate the contract if legislation
15 is enacted into law by the General Assembly that
16 imposes or authorizes a new tax, special
17 assessment, or fee on the generation of
18 electricity, the ownership or leasehold of a
19 generating unit, or the privilege or occupation of
20 such generation, ownership, or leasehold of
21 generation units by a zero emission facility.
22 However, the provisions of this item (ii) do not
23 apply to any generally applicable tax, special
24 assessment or fee, or requirements imposed by
25 federal law.

26 (iii) A zero emission facility shall be

1 permitted to terminate the contract in the event
2 that the resource requires capital expenditures in
3 excess of \$40,000,000 that were neither known nor
4 reasonably foreseeable at the time it executed the
5 contract and that a prudent owner or operator of
6 such resource would not undertake.

7 (iv) A zero emission facility shall be
8 permitted to terminate the contract in the event
9 the Nuclear Regulatory Commission terminates the
10 resource's license.

11 (F) If the zero emission facility elects to
12 terminate a contract under subparagraph (E) of this
13 paragraph (1), then the Commission shall reopen the
14 docket in which the Commission approved the zero
15 emission standard procurement plan under subparagraph
16 (C) of this paragraph (1) and, after notice and
17 hearing, enter an order acknowledging the contract
18 termination election if such termination is consistent
19 with the provisions of this subsection (d-5).

20 (2) For purposes of this subsection (d-5), the amount
21 paid per kilowatthour means the total amount paid for
22 electric service expressed on a per kilowatthour basis.
23 For purposes of this subsection (d-5), the total amount
24 paid for electric service includes, without limitation,
25 amounts paid for supply, transmission, distribution,
26 surcharges, and add-on taxes.

1 Notwithstanding the requirements of this subsection
2 (d-5), the contracts executed under this subsection (d-5)
3 shall provide that the total of zero emission credits
4 procured under a procurement plan shall be subject to the
5 limitations of this paragraph (2). For each delivery year,
6 the contractual volume receiving payments in such year
7 shall be reduced for all retail customers based on the
8 amount necessary to limit the net increase that delivery
9 year to the costs of those credits included in the amounts
10 paid by eligible retail customers in connection with
11 electric service to no more than 1.65% of the amount paid
12 per kilowatthour by eligible retail customers during the
13 year ending May 31, 2009. The result of this computation
14 shall apply to and reduce the procurement for all retail
15 customers, and all those customers shall pay the same
16 single, uniform cents per kilowatthour charge under
17 subsection (k) of Section 16-108 of the Public Utilities
18 Act. To arrive at a maximum dollar amount of zero emission
19 credits to be paid for the particular delivery year, the
20 resulting per kilowatthour amount shall be applied to the
21 actual amount of kilowatthours of electricity delivered by
22 the electric utility in the delivery year immediately
23 prior to the procurement, to all retail customers in its
24 service territory. Unpaid contractual volume for any
25 delivery year shall be paid in any subsequent delivery
26 year in which such payments can be made without exceeding

1 the amount specified in this paragraph (2). The
2 calculations required by this paragraph (2) shall be made
3 only once for each procurement plan year. Once the
4 determination as to the amount of zero emission credits to
5 be paid is made based on the calculations set forth in this
6 paragraph (2), no subsequent rate impact determinations
7 shall be made and no adjustments to those contract amounts
8 shall be allowed. All costs incurred under those contracts
9 and in implementing this subsection (d-5) shall be
10 recovered by the electric utility as provided in this
11 Section.

12 No later than June 30, 2019, the Commission shall
13 review the limitation on the amount of zero emission
14 credits procured under this subsection (d-5) and report to
15 the General Assembly its findings as to whether that
16 limitation unduly constrains the procurement of
17 cost-effective zero emission credits.

18 (3) Six years after the execution of a contract under
19 this subsection (d-5), the Agency shall determine whether
20 the actual zero emission credit payments received by the
21 supplier over the 6-year period exceed the Average ZEC
22 Payment. In addition, at the end of the term of a contract
23 executed under this subsection (d-5), or at the time, if
24 any, a zero emission facility's contract is terminated
25 under subparagraph (E) of paragraph (1) of this subsection
26 (d-5), then the Agency shall determine whether the actual

1 zero emission credit payments received by the supplier
2 over the term of the contract exceed the Average ZEC
3 Payment, after taking into account any amounts previously
4 credited back to the utility under this paragraph (3). If
5 the Agency determines that the actual zero emission credit
6 payments received by the supplier over the relevant period
7 exceed the Average ZEC Payment, then the supplier shall
8 credit the difference back to the utility. The amount of
9 the credit shall be remitted to the applicable electric
10 utility no later than 120 days after the Agency's
11 determination, which the utility shall reflect as a credit
12 on its retail customer bills as soon as practicable;
13 however, the credit remitted to the utility shall not
14 exceed the total amount of payments received by the
15 facility under its contract.

16 For purposes of this Section, the Average ZEC Payment
17 shall be calculated by multiplying the quantity of zero
18 emission credits delivered under the contract times the
19 average contract price. The average contract price shall
20 be determined by subtracting the amount calculated under
21 subparagraph (B) of this paragraph (3) from the amount
22 calculated under subparagraph (A) of this paragraph (3),
23 as follows:

24 (A) The average of the Social Cost of Carbon, as
25 defined in subparagraph (B) of paragraph (1) of this
26 subsection (d-5), during the term of the contract.

1 (B) The average of the market price indices, as
2 defined in subparagraph (B) of paragraph (1) of this
3 subsection (d-5), during the term of the contract,
4 minus the baseline market price index, as defined in
5 subparagraph (B) of paragraph (1) of this subsection
6 (d-5).

7 If the subtraction yields a negative number, then the
8 Average ZEC Payment shall be zero.

9 (4) Cost-effective zero emission credits procured from
10 zero emission facilities shall satisfy the applicable
11 definitions set forth in Section 1-10 of this Act.

12 (5) The electric utility shall retire all zero
13 emission credits used to comply with the requirements of
14 this subsection (d-5).

15 (6) Electric utilities shall be entitled to recover
16 all of the costs associated with the procurement of zero
17 emission credits through an automatic adjustment clause
18 tariff in accordance with subsection (k) and (m) of
19 Section 16-108 of the Public Utilities Act, and the
20 contracts executed under this subsection (d-5) shall
21 provide that the utilities' payment obligations under such
22 contracts shall be reduced if an adjustment is required
23 under subsection (m) of Section 16-108 of the Public
24 Utilities Act.

25 (7) This subsection (d-5) shall become inoperative on
26 January 1, 2028.

1 (e) The draft procurement plans are subject to public
2 comment, as required by Section 16-111.5 of the Public
3 Utilities Act.

4 (f) The Agency shall submit the final procurement plan to
5 the Commission. The Agency shall revise a procurement plan if
6 the Commission determines that it does not meet the standards
7 set forth in Section 16-111.5 of the Public Utilities Act.

8 (g) The Agency shall assess fees to each affected utility
9 to recover the costs incurred in preparation of the annual
10 procurement plan for the utility.

11 (h) The Agency shall assess fees to each bidder to recover
12 the costs incurred in connection with a competitive
13 procurement process.

14 (i) A renewable energy credit, carbon emission credit, or
15 zero emission credit can only be used once to comply with a
16 single portfolio or other standard as set forth in subsection
17 (c), subsection (d), or subsection (d-5) of this Section,
18 respectively. A renewable energy credit, carbon emission
19 credit, or zero emission credit cannot be used to satisfy the
20 requirements of more than one standard. If more than one type
21 of credit is issued for the same megawatt hour of energy, only
22 one credit can be used to satisfy the requirements of a single
23 standard. After such use, the credit must be retired together
24 with any other credits issued for the same megawatt hour of
25 energy.

26 (Source: P.A. 100-863, eff. 8-14-18; 101-81, eff. 7-12-19;

1 101-113, eff. 1-1-20.)

2 (20 ILCS 3855/1-92)

3 Sec. 1-92. Aggregation of electrical load by
4 municipalities, townships, and counties.

5 (a) The corporate authorities of a municipality, township
6 board, or county board of a county may adopt an ordinance under
7 which it may aggregate in accordance with this Section
8 residential and small commercial retail electrical loads
9 located, respectively, within the municipality, the township,
10 or the unincorporated areas of the county and, for that
11 purpose, may solicit bids and enter into service agreements to
12 facilitate for those loads the sale and purchase of
13 electricity and related services and equipment.

14 The corporate authorities, township board, or county board
15 may also exercise such authority jointly with any other
16 municipality, township, or county. Two or more municipalities,
17 townships, or counties, or a combination of both, may initiate
18 a process jointly to authorize aggregation by a majority vote
19 of each particular municipality, township, or county as
20 required by this Section.

21 If the corporate authorities, township board, or the
22 county board seek to operate the aggregation program as an
23 opt-out program for residential and small commercial retail
24 customers, then prior to the adoption of an ordinance with
25 respect to aggregation of residential and small commercial

1 retail electric loads, the corporate authorities of a
2 municipality, the township board, or the county board of a
3 county shall submit a referendum to its residents to determine
4 whether or not the aggregation program shall operate as an
5 opt-out program for residential and small commercial retail
6 customers. Any county board that seeks to submit such a
7 referendum to its residents shall do so only in unincorporated
8 areas of the county where no electric aggregation ordinance
9 has been adopted.

10 In addition to the notice and conduct requirements of the
11 general election law, notice of the referendum shall state
12 briefly the purpose of the referendum. The question of whether
13 the corporate authorities, the township board, or the county
14 board shall adopt an opt-out aggregation program for
15 residential and small commercial retail customers shall be
16 submitted to the electors of the municipality, township board,
17 or county board at a regular election and approved by a
18 majority of the electors voting on the question. The corporate
19 authorities, township board, or county board must certify to
20 the proper election authority, which must submit the question
21 at an election in accordance with the Election Code.

22 The election authority must submit the question in
23 substantially the following form:

24 Shall the (municipality, township, or county in which
25 the question is being voted upon) have the authority to
26 arrange for the supply of electricity for its residential

1 and small commercial retail customers who have not opted
2 out of such program?

3 The election authority must record the votes as "Yes" or "No".

4 If a majority of the electors voting on the question vote
5 in the affirmative, then the corporate authorities, township
6 board, or county board may implement an opt-out aggregation
7 program for residential and small commercial retail customers.

8 A referendum must pass in each particular municipality,
9 township, or county that is engaged in the aggregation
10 program. If the referendum fails, then the corporate
11 authorities, township board, or county board shall operate the
12 aggregation program as an opt-in program for residential and
13 small commercial retail customers.

14 An ordinance under this Section shall specify whether the
15 aggregation will occur only with the prior consent of each
16 person owning, occupying, controlling, or using an electric
17 load center proposed to be aggregated. Nothing in this
18 Section, however, authorizes the aggregation of electric loads
19 that are served or authorized to be served by an electric
20 cooperative as defined by and pursuant to the Electric
21 Supplier Act or loads served by a municipality that owns and
22 operates its own electric distribution system. No aggregation
23 shall take effect unless approved by a majority of the members
24 of the corporate authority, township board, or county board
25 voting upon the ordinance.

26 A governmental aggregator under this Section is not a

1 public utility or an alternative retail electric supplier.

2 For purposes of this Section, "township" means the portion
3 of a township that is an unincorporated portion of a county
4 that is not otherwise a part of a municipality. In addition to
5 such other limitations as are included in this Section, a
6 township board shall only have authority to aggregate
7 residential and small commercial customer loads in accordance
8 with this Section if the county board of the county in which
9 the township is located (i) is not also submitting a
10 referendum to its residents at the same general election that
11 the township board proposes to submit a referendum under this
12 subsection (a), (ii) has not received authorization through
13 passage of a referendum to operate an opt-out aggregation
14 program for residential and small commercial retail customers
15 under this subsection (a), and (iii) has not otherwise enacted
16 an ordinance under this subsection (a) authorizing the
17 operation of an opt-in aggregation program for residential and
18 small commercial retail customers as described in this
19 Section.

20 (b) Upon the applicable requisite authority under this
21 Section, the corporate authorities, the township board, or the
22 county board, with assistance from the Illinois Power Agency,
23 shall develop a plan of operation and governance for the
24 aggregation program so authorized. Before adopting a plan
25 under this Section, the corporate authorities, township board,
26 or county board shall hold at least 2 public hearings on the

1 plan. Before the first hearing, the corporate authorities,
2 township board, or county board shall publish notice of the
3 hearings once a week for 2 consecutive weeks in a newspaper of
4 general circulation in the jurisdiction. The notice shall
5 summarize the plan and state the date, time, and location of
6 each hearing. Any load aggregation plan established pursuant
7 to this Section shall:

8 (1) provide for universal access to all applicable
9 residential customers and equitable treatment of
10 applicable residential customers;

11 (2) describe demand management and energy efficiency
12 services to be provided to each class of customers; and

13 (3) meet any requirements established by law
14 concerning aggregated service offered pursuant to this
15 Section.

16 (c) The process for soliciting bids for electricity and
17 other related services and awarding proposed agreements for
18 the purchase of electricity and other related services shall
19 be conducted in the following order:

20 (1) The corporate authorities, township board, or
21 county board may solicit bids for electricity and other
22 related services. The bid specifications may include a
23 provision requiring the bidder to disclose the fuel type
24 of electricity to be procured or generated on behalf of
25 the aggregation program customers. The corporate
26 authorities, township board, or county board may consider

1 the proposed source of electricity to be procured or
2 generated to be put into the grid on behalf of aggregation
3 program customers in the competitive bidding process. The
4 Agency and Commission may collaborate to issue joint
5 guidance on voluntary uniform standards for bidder
6 disclosures of the source of electricity to be procured or
7 generated to be put into the grid on behalf of aggregation
8 program customers.

9 (1.5) A township board shall request from the electric
10 utility those residential and small commercial customers
11 within their aggregate area either by zip code or zip
12 codes or other means as determined by the electric
13 utility. The electric utility shall then provide to the
14 township board the residential and small commercial
15 customers, including the names and addresses of
16 residential and small commercial customers,
17 electronically. The township board shall be responsible
18 for authenticating the residential and small commercial
19 customers contained in this listing and providing edits of
20 the data to affirm, add, or delete the residential and
21 small commercial customers located within its
22 jurisdiction. The township board shall provide the edited
23 list to the electric utility in an electronic format or
24 other means selected by the electric utility and certify
25 that the information is accurate.

26 (2) Notwithstanding Section 16-122 of the Public

1 Utilities Act and Section 2HH of the Consumer Fraud and
2 Deceptive Business Practices Act, an electric utility that
3 provides residential and small commercial retail electric
4 service in the aggregate area must, upon request of the
5 corporate authorities, township board, or the county board
6 in the aggregate area, submit to the requesting party, in
7 an electronic format, those account numbers, names, and
8 addresses of residential and small commercial retail
9 customers in the aggregate area that are reflected in the
10 electric utility's records at the time of the request;
11 provided, however, that any township board has first
12 provided an accurate customer list to the electric utility
13 as provided for herein.

14 Any corporate authority, township board, or county board
15 receiving customer information from an electric utility shall
16 be subject to the limitations on the disclosure of the
17 information described in Section 16-122 of the Public
18 Utilities Act and Section 2HH of the Consumer Fraud and
19 Deceptive Business Practices Act, and an electric utility
20 shall not be held liable for any claims arising out of the
21 provision of information pursuant to this item (2).

22 (d) If the corporate authorities, township board, or
23 county board operate under an opt-in program for residential
24 and small commercial retail customers, then the corporate
25 authorities, township board, or county board shall comply with
26 all of the following:

1 (1) Within 60 days after receiving the bids, the
2 corporate authorities, township board, or county board
3 shall allow residential and small commercial retail
4 customers to commit to the terms and conditions of a bid
5 that has been selected by the corporate authorities,
6 township board, or county board.

7 (2) If (A) the corporate authorities, township board,
8 or county board award proposed agreements for the purchase
9 of electricity and other related services and (B) an
10 agreement is reached between the corporate authorities,
11 township board, or county board for those services, then
12 customers committed to the terms and conditions according
13 to item (1) of this subsection (d) shall be committed to
14 the agreement.

15 (e) If the corporate authorities, township board, or
16 county board operate as an opt-out program for residential and
17 small commercial retail customers, then it shall be the duty
18 of the aggregated entity to fully inform residential and small
19 commercial retail customers in advance that they have the
20 right to opt out of the aggregation program. The disclosure
21 shall prominently state all charges to be made and shall
22 include full disclosure of the cost to obtain service pursuant
23 to Section 16-103 of the Public Utilities Act, how to access
24 it, and the fact that it is available to them without penalty,
25 if they are currently receiving service under that Section.
26 The Illinois Power Agency shall furnish, without charge, to

1 any citizen a list of all supply options available to them in a
2 format that allows comparison of prices and products.

3 (f) Any person or entity retained by a municipality or
4 county, or jointly by more than one such unit of local
5 government, to provide input, guidance, or advice in the
6 selection of an electricity supplier for an aggregation
7 program shall disclose in writing to the involved units of
8 local government the nature of any relationship through which
9 the person or entity may receive, either directly or
10 indirectly, commissions or other remuneration as a result of
11 the selection of any particular electricity supplier. The
12 written disclosure must be made prior to formal approval by
13 the involved units of local government of any professional
14 services agreement with the person or entity, or no later than
15 October 1, 2012 with respect to any such professional services
16 agreement entered into prior to the effective date of this
17 amendatory Act of the 97th General Assembly. The disclosure
18 shall cover all direct and indirect relationships through
19 which commissions or remuneration may result, including the
20 pooling of commissions or remuneration among multiple persons
21 or entities, and shall identify all involved electricity
22 suppliers. The disclosure requirements in this subsection (f)
23 are to be liberally construed to ensure that the nature of
24 financial interests are fully revealed, and these disclosure
25 requirements shall apply regardless of whether the involved
26 person or entity is licensed under Section 16-115C of the

1 Public Utilities Act. Any person or entity that fails to make
2 the disclosure required under this subsection (f) is liable to
3 the involved units of local government in an amount equal to
4 all compensation paid to such person or entity by the units of
5 local government for the input, guidance, or advice in the
6 selection of an electricity supplier, plus reasonable
7 attorneys fees and court costs incurred by the units of local
8 government in connection with obtaining such amount.

9 (g) The Illinois Power Agency shall provide assistance to
10 municipalities, townships, counties, or associations working
11 with municipalities to help complete the plan and bidding
12 process.

13 (h) This Section does not prohibit municipalities or
14 counties from entering into an intergovernmental agreement to
15 aggregate residential and small commercial retail electric
16 loads.

17 (i) No later than December 31, 2022, the Illinois Power
18 Agency shall produce a report assessing how aggregation of
19 electrical load by municipalities, townships, and counties can
20 be used to help meet the renewable energy goals outlined in
21 this Act. This report shall contain, at minimum, an assessment
22 of other states' utilization of load aggregation in meeting
23 renewable energy goals, any known or expected barriers in
24 utilizing load aggregation for meeting renewable energy goals,
25 and recommendations for possible changes in State law
26 necessary for electrical load aggregation to be a driver of

1 new renewable energy project development. This report shall be
2 published on the Agency's website and delivered to the
3 Governor and General Assembly. To assist with developing this
4 report, the Agency may retain the services of its expert
5 consulting firm used to develop its procurement plans as
6 outlined in Section 1-75(a)(1) of this Act.

7 (Source: P.A. 97-338, eff. 8-12-11; 97-823, eff. 7-18-12;
8 97-1067, eff. 8-24-12; 98-404, eff. 1-1-14; 98-434, eff.
9 1-1-14; 98-463, eff. 8-16-13; 98-756, eff. 7-16-14.)

10 (20 ILCS 3855/1-125)

11 Sec. 1-125. Agency annual reports.

12 (a) By February 15 of each year, the Agency shall report
13 annually to the Governor and the General Assembly on the
14 operations and transactions of the Agency. The annual report
15 shall include, but not be limited to, each of the following:

16 (1) The average quantity, price, and term of all
17 contracts for electricity procured under the procurement
18 plans for electric utilities.

19 (2) (Blank).

20 (3) The quantity, price, and rate impact of all energy
21 efficiency and demand response measures purchased for
22 electric utilities, and any measures included in the
23 procurement plan pursuant to Section 16-111.5B of the
24 Public Utilities Act.

25 (4) The amount of power and energy produced by each

1 Agency facility.

2 (5) The quantity of electricity supplied by each
3 Agency facility to municipal electric systems,
4 governmental aggregators, or rural electric cooperatives
5 in Illinois.

6 (6) The revenues as allocated by the Agency to each
7 facility.

8 (7) The costs as allocated by the Agency to each
9 facility.

10 (8) The accumulated depreciation for each facility.

11 (9) The status of any projects under development.

12 (10) Basic financial and operating information
13 specifically detailed for the reporting year and
14 including, but not limited to, income and expense
15 statements, balance sheets, and changes in financial
16 position, all in accordance with generally accepted
17 accounting principles, debt structure, and a summary of
18 funds on a cash basis.

19 (11) The average quantity, price, contract type and
20 term, and rate impact of all renewable resources procured
21 ~~purchased~~ under the long-term renewable resources
22 ~~electricity~~ procurement plans for electric utilities.

23 (12) A comparison of the costs associated with the
24 Agency's procurement of renewable energy resources to (A)
25 the Agency's costs associated with electricity generated
26 by other types of generation facilities and (B) the

1 benefits associated with the Agency's procurement of
2 renewable energy resources.

3 (13) An analysis of the rate impacts associated with
4 the Illinois Power Agency's procurement of renewable
5 resources, including, but not limited to, any long-term
6 contracts, on the eligible retail customers of electric
7 utilities. The analysis shall include the Agency's
8 estimate of the total dollar impact that the Agency's
9 procurement of renewable resources has had on the annual
10 electricity bills of the customer classes that comprise
11 each eligible retail customer class taking service from an
12 electric utility.

13 (14) (Blank). ~~An analysis of how the operation of the~~
14 ~~alternative compliance payment mechanism, any long-term~~
15 ~~contracts, or other aspects of the applicable renewable~~
16 ~~portfolio standards impacts the rates of customers of~~
17 ~~alternative retail electric suppliers.~~

18 (b) In addition to reporting on the transactions and
19 operations of the Agency, the Agency shall also endeavor to
20 report on the following items through its annual report,
21 recognizing that full and accurate information may not be
22 available for certain items:

23 (1) The overall nameplate capacity amount of installed
24 and scheduled renewable energy generation capacity
25 physically located in Illinois.

26 (2) The percentage of installed and scheduled

1 renewable energy generation capacity as a share of overall
2 electricity generation capacity physically located in
3 Illinois.

4 (3) The amount of megawatt hours produced by renewable
5 energy generation capacity physically located in Illinois
6 for the preceding delivery year.

7 (4) The percentage of megawatt hours produced by
8 renewable energy generation capacity physically located in
9 Illinois as a share of overall electricity generation from
10 facilities physically located in Illinois for the
11 preceding delivery year.

12 The Agency may seek assistance from the Illinois Commerce
13 Commission in developing its annual report and may also retain
14 the services of its expert consulting firm used to develop its
15 procurement plans as outlined in paragraph (1) of subsection
16 (a) of Section 1-75. Confidential or commercially sensitive
17 business information provided by retail customers, alternative
18 retail electric suppliers, or other parties shall be kept
19 confidential by the Agency consistent with Section 1-120, but
20 may be publicly reported in aggregate form.

21 (Source: P.A. 99-536, eff. 7-8-16.)

22 (20 ILCS 3855/1-135 new)

23 Sec. 1-135. Project labor agreements. Projects greater
24 than 10,000 kilowatts in nameplate capacity shall include a
25 project labor agreement as defined by Section 1-75.

1 (a) The project labor agreement must include the
2 following:

3 (1) provisions establishing the minimum hourly wage
4 for each class of labor organization employee;

5 (2) provisions establishing the benefits and other
6 compensation for each class of labor organization
7 employee;

8 (3) provisions establishing that no strike or disputes
9 will be engaged in by the labor organization employees;
10 and

11 (4) provisions for minorities and women as defined
12 under the Business Enterprise for Minorities, Women, and
13 Persons with Disabilities Act, setting forth goals for
14 apprenticeship hours to be performed by minorities and
15 women and setting forth goals for total hours to be
16 performed by underrepresented minorities and women.

17 The owner of the facility and the labor organizations
18 shall have the authority to include other terms and conditions
19 as they deem necessary.

20 (b) The project labor agreement shall be filed with the
21 Director in accordance with procedures established by the
22 Illinois Power Agency. At a minimum, the project labor
23 agreement must provide the names, addresses, and occupations
24 of the owner of the plant and the individuals representing the
25 labor organization employees participating in the project
26 labor agreement consistent with the Project Labor Agreements

1 Act. The agreement must also specify the terms and conditions
2 required in subsection (a).

3 (20 ILCS 3855/1-140 new)

4 Sec. 1-140. Equity points system.

5 (a) As used in this Section:

6 "Equity investment eligible community" or "eligible
7 community" mean people living in geographic areas throughout
8 Illinois who will most benefit from equitable investments by
9 the State that are designed to combat historic inequities and
10 the effects of discrimination. "Eligible community" includes
11 census tracts that meet the following characteristics:

12 (1) At least 15% of the population or at least 20% of
13 the population 18 or under fall below the federal poverty
14 level; and

15 (2) falls in the top 25th percentile in the State on
16 measured levels for one or more of the following
17 environmental indicators from the United States
18 Environmental Protection Agency's EJSCREEN screening tool:

19 (A) Diesel particulate matter level in air.

20 (B) Air toxics cancer risk.

21 (C) Air toxics respiratory hazard index.

22 (D) Indicator for major direct dischargers to
23 water.

24 (E) Proximity to National Priorities List (NPL)
25 sites.

1 (F) Proximity to Risk Management Plan (RMP)
2 facilities.

3 (G) Proximity to Treatment and Storage and
4 Disposal (TSDF) facilities.

5 (H) Ozone level in air.

6 (I) PM2.5 (particulate matter with diameters that
7 are 2.5 micrometers and smaller) level in the air.

8 "Equity investment eligible persons" or "eligible persons"
9 means persons who would most benefit from equitable
10 investments by the State designed to combat discrimination,
11 specifically:

12 (1) persons whose primary residence is in an equity
13 investment eligible community;

14 (2) persons whose primary residence is in a
15 municipality or a county with a population under 100,000
16 where the closure of an electric generating unit or coal
17 mine has been publicly announced, or the electric
18 generating unit or coal mine is in the process of closing
19 or has closed within the last 5 years;

20 (3) persons who are graduates of or currently enrolled
21 in the foster care system; or

22 (4) persons who were formerly incarcerated.

23 "Labor peace agreement" means an agreement between an
24 entity and any labor organization recognized under the federal
25 National Labor Relations Act, that may prohibit the labor
26 organization and members from engaging in picketing, work

1 stoppages, boycotts, and any other economic interference with
2 the entity on photovoltaic distributed generation and
3 photovoltaic community renewable generation projects
4 participating in the Adjustable Block Program. Such an
5 agreement also provides that the entity has agreed not to
6 disrupt efforts by the labor organization to communicate with,
7 and attempt to organize and represent, the entity's employees
8 and affords the labor organization access at reasonable times
9 to areas in which the entity's employees work, for the purpose
10 of meeting with employees to discuss their right to
11 representation, employment rights under State law, and terms
12 and conditions of employment.

13 (b) Utility-scale wind and solar.

14 (1) The Illinois Power Agency shall revise the
15 long-term renewable resources procurement plan as provided
16 for in subparagraph (a) of paragraph (1) of subsection (c)
17 of Section 1-75 to implement this subsection. The Illinois
18 Power Agency, using alternative bidding procedures as
19 provided for in subsection (i) of Section 20-10 of the
20 Illinois Procurement Code, shall award equity action
21 points for the evaluation of bids in competitive
22 procurements for renewable energy credits delivered from
23 utility-scale wind, utility-scale solar, and brownfield
24 site photovoltaic projects, where applicable, as described
25 in this paragraph (1). Each company or entity may receive
26 up to a maximum of 20 points for each equity action. The

1 maximum number of points that can be awarded is 80 points.
2 This equity points system shall consider equity actions
3 and bid prices. As part of its bid, each company or entity
4 must agree that they will demonstrate to the Agency that
5 they met each of the equity commitments as described in
6 subsection (g).

7 (2) Equity action points shall be assigned as follows:

8 (A) Equity eligible communities equity action.

9 Awarded based on a commitment that a percentage of the
10 workforce on the project, including the workforce of
11 contractors and subcontractors (measured by full-time
12 equivalents as defined by the Government
13 Accountability Office of the United States Congress),
14 will live in eligible communities. One point shall be
15 awarded for each 5% of the workforce composed of
16 workers who live in equity eligible communities and
17 one point to an entity that is majority-owned by one or
18 more eligible persons, up to a maximum of 20 points.

19 (B) Clean energy economy workforce participants
20 equity action. Awarded based on a commitment that a
21 percentage of the workforce on the project, including
22 the workforce of contractors and vendors, will be
23 reserved for workers who participated in the
24 Department of Commerce and Economic Opportunity's
25 Clean Jobs Workforce Hubs Network or Energy Transition
26 Barrier Reduction Program. One point shall be awarded

1 for each 5% of the workforce composed of current or
2 former participants of those programs, up to a maximum
3 of 20 points.

4 (C) Project labor agreement equity action. Awarded
5 based on a commitment to enter into a pre-hire
6 collective bargaining or project labor agreement
7 consistent with the Project Labor Agreements Act. Up
8 to a maximum of 20 points shall be awarded for a
9 project labor agreement on a utility-scale wind or
10 solar project.

11 (D) Contracting equity action. Awarded based on a
12 commitment that a percentage of the company's or
13 entity's subcontractors or vendors for the project
14 will be businesses owned by one or more eligible
15 persons or that a percentage of the subcontractors' or
16 vendors' workforce on the project will be composed of
17 workers who live in eligible communities. Five points
18 shall be awarded for each 10% of subcontractors or
19 vendors that are businesses majority-owned by one or
20 more eligible persons or for each 10% of the
21 subcontractors' or vendors' workforce who live in
22 equity eligible communities, up to a maximum of 20
23 points. Bidders are not eligible for points under this
24 subsection unless they plan to use subcontractors.

25 (3) Competitive procurements shall follow the
26 procurement processes and procedures described in this

1 Section and Section 16-111.5 of the Public Utilities Act
2 to the extent practicable with the following additional
3 provisions for the evaluation of bids. Bids shall be
4 placed into tiers based upon the number of equity action
5 points awarded. Bids shall first be selected from the top
6 tier based upon price, subject to a confidential
7 benchmark. If the bids in the top tier do not fill the
8 procurement target, then the process shall be repeated for
9 the next tier until either the procurement target is met,
10 or all bids under the benchmark are selected. The
11 methodology to determine tier sizes and allocations shall
12 be established in the Long-Term Renewable Resources
13 Procurement Plan.

14 (4) Upon request, the Agency shall provide
15 unsuccessful bidders with an explanation of how their bid
16 was scored and modifications that could be made in the
17 future to improve the score. This explanation shall not
18 reveal competitor bid information or other confidential
19 bid information.

20 (c) Adjustable block program.

21 (1) The Illinois Power Agency shall revise the
22 long-term renewable resources procurement plan as provided
23 for in subparagraph (a) of paragraph (1) of subsection (c)
24 of Section 1-75 to implement this subsection. The Agency,
25 using procedures as provided for in the Long-Term
26 Renewable Resources Procurement Plan, shall award equity

1 action points to score applications for projects seeking
2 contracts for the delivery of renewable energy credits
3 through the adjustable block program. Each applicant may
4 receive up to a maximum of 20 points for each equity
5 action. The maximum number of points that can be awarded
6 is 80 points. This equity points system shall consider
7 equity actions and bid prices. As part of its bid, each
8 company or entity must agree that they will demonstrate to
9 the Agency that they met each of the equity commitments as
10 described in subsection (g).

11 (2) Equity action points shall be assigned as follows:

12 (A) Living wage equity action. Awarded based on a
13 commitment that a percentage of the workforce on the
14 project, including the workforce of contractors and
15 vendors, (measured by full-time equivalents as defined
16 by the Government Accountability Office of the United
17 States Congress) will be paid at or above a living
18 wage. One point shall be awarded for each 5% of the
19 workforce composed of workers paid at or above a
20 living wage, up to a maximum of 20 points. For purposes
21 of this Section, a living wage shall be defined as
22 twice the minimum wage in effect pursuant to the
23 Minimum Wage Law or any applicable minimum wage set by
24 the municipality in which the work is performed,
25 whichever is greater.

26 (B) Equity eligible communities equity action.

1 Awarded based on a commitment that a percentage of the
2 workforce on the project, including the workforce of
3 contractors and vendors, (measured by full-time
4 equivalents) will live in eligible communities. One
5 point shall be awarded for each 5% of the workforce
6 that the company or entity commits will be composed of
7 workers who live in equity eligible Communities. As an
8 alternative, up to 20 points may be awarded to an
9 entity that is majority-owned by eligible persons.

10 (C) Clean energy economy workforce participants
11 equity action. Awarded based on a commitment that a
12 percentage of the workforce on the project, including
13 the workforce of contractors and vendors, (measured by
14 full-time equivalents) will be workers who
15 participated in the Department of Commerce and
16 Economic Opportunity's Clean Jobs Workforce Hubs
17 Network or Energy Transition Barrier Reduction
18 Program. One point shall be awarded for each 5% of the
19 workforce that the company or entity commits will be
20 composed of current or former participants of those
21 programs, up to a maximum of 20 points.

22 (D) Labor peace agreement action. Awarded based on
23 one of the following: (i) the bidder attests that the
24 bidder has entered into a labor peace agreement
25 applicable to the renewable energy project, will abide
26 by the terms of the agreement, and will submit a copy

1 of the page of the labor peace agreement to the Agency;
2 or (ii) the bidder submits an attestation to the
3 Agency affirming its commitment to enter into a labor
4 peace agreement if approached by a bona fide labor
5 organization that is actively seeking to represent
6 workers in Illinois on the renewable energy project
7 that is the subject of this procurement.

8 (3) The adjustable block program shall reserve 40% of
9 each block's capacity to be available for project
10 applications that score no less than 40 points in the
11 equity points system. The Agency shall establish in its
12 Long-Term Renewable Resource Procurement Plan a process
13 for allocating the block capacity if applications scoring
14 40 or more points do not fill the 40% set-aside until all
15 contracts for that enrollment period are awarded.
16 Beginning with the update to the Long-Term Renewable
17 Resources Procurement Plan that commences in 2023, the
18 Agency shall review the reserved capacity level for future
19 blocks. In developing its annual block capacity, the
20 Agency shall project the amount of development in each
21 block, at the prices of each block, expected to occur in
22 the timeframe.

23 (d) Accountability in the equity points system.

24 (1) Purpose. It is the purpose of this subsection to
25 ensure the equity points system is successful in advancing
26 equity across Illinois by providing access to the clean

1 energy economy for businesses and workers from communities
2 that have been historically excluded from economic
3 opportunities in the energy sector, have been subject to
4 disproportionate levels of pollution, and have
5 disproportionately experienced negative public health
6 outcomes.

7 (2) Modifications to the equity points system. As part
8 of the update of the Long-Term Renewable Resources
9 Procurement Plan to be initiated in 2023, or sooner if the
10 Agency deems necessary, the Agency shall determine to what
11 extent the equity points system described in this Section
12 resulted in the procurement of renewable energy credits
13 from projects in eligible communities. If the Agency finds
14 that the equity points system failed to meet that goal,
15 the Agency may propose in that updated Long-Term Renewable
16 Resources Procurement Plan to revise the following
17 criteria for future Agency procurements, notwithstanding
18 the criteria established in subsections (b) and (c): (i)
19 the number of points allocated for each equity action;
20 (ii) definitions for equity investment eligible persons
21 and equity investment eligible community; and (iii) the
22 number of points required for qualified vendors to be
23 eligible for the 40% capacity reservation of each block's
24 price in the adjustable block program. Such revised
25 criteria may also establish a distinct equity points
26 system for different types of procurements if the Agency

1 finds that doing so will further the purpose of such
2 programs.

3 (e) Racial discrimination elimination powers and process.

4 (1) Purpose. It is the purpose of this subsection to
5 empower the Agency to assess and begin to reduce racial
6 discrimination in Illinois' clean energy economy,
7 including through the use of race-conscious remedies, such
8 as race-conscious contracting and hiring goals, consistent
9 with State and federal law.

10 (2) Racial disparity and discrimination review
11 process.

12 (A) Within one year of the awarding of contracts
13 using the equity actions processes established in this
14 Section, the Agency shall publish a report evaluating
15 the effectiveness of the equity actions point criteria
16 of this Section in increasing participation of equity
17 investment eligible individuals. Such report shall be
18 forwarded to the Governor, the General Assembly, and
19 the Illinois Commerce Commission.

20 (B) At any point thereafter, the Agency may
21 commission and publish a disparity and availability
22 study that measures the impact of discrimination on
23 minority businesses and workers. The Agency may hire
24 consultants and experts to conduct the disparity and
25 availability study, with the retention of those
26 consultants and experts exempt from the requirements

1 of Section 20-10 of the Illinois Procurement Code. The
2 study shall: (i) evaluate whether using the equity
3 points system described in this Section result in
4 discrimination in the State's renewable energy
5 industry; and (ii) if so, evaluate the impact of such
6 discrimination on the State and include
7 recommendations for reducing or eliminating any
8 identified barriers to entry in the renewable energy
9 industry. The Illinois Power Agency shall forward a
10 copy of its findings and recommendations to the
11 Governor, the General Assembly, and the Illinois
12 Commerce Commission.

13 Should the disparity and availability study
14 demonstrate that using the equity points system
15 described in this Section result in discrimination in
16 the State's renewable energy industry, the Agency
17 shall utilize the recommendations to inform its
18 modification of the equity points system as described
19 in paragraph (2) of subsection (d). Any modifications
20 shall be designed to address disparities in the
21 renewable energy industry.

22 (f) Program data collection.

23 (1) Purpose. Data collection, data analysis, and
24 reporting are critical to ensure that the benefits of the
25 clean energy economy provided to Illinois residents and
26 businesses are equitably distributed across the State.

1 Thus, the Agency requires proper authority to collect data
2 from program applicants in order to track and improve
3 equitable distribution of benefits across Illinois
4 communities for all procurements the Agency conducts. The
5 Agency shall use this data to, among other things, measure
6 any potential impact of racial discrimination on the
7 distribution of benefits and provide information necessary
8 to correct any discrimination through methods consistent
9 with State and federal law as described in subsection (e).

10 (2) Agency authority to collect program data. The
11 Agency shall collect demographic and geographic data for
12 each entity awarded contracts under any
13 Agency-administered program.

14 (3) Required information to be collected. The Agency
15 shall collect the following information from applicants
16 and program participants where applicable:

17 (A) demographic information, including racial or
18 ethnic identity for real persons employed, contracted,
19 or subcontracted through the program and owners of
20 businesses or entities that apply to receive renewable
21 energy credits from the Agency;

22 (B) geographic location of the residency of real
23 persons employed, contracted, or subcontracted through
24 the program and geographic location of the
25 headquarters of the business or entity that applies to
26 receive renewable energy credits from the Agency; and

1 (C) any other information the Agency determines is
2 necessary for the purpose of achieving the purpose of
3 this subsection (f).

4 (4) Publication of collected information. The Agency
5 shall publish, at least annually, information on the
6 demographics of program participants on an aggregate
7 basis.

8 (5) Nothing in this subsection (f) shall be
9 interpreted to limit the authority of the Agency, or other
10 agency or department of the State, to require or collect
11 demographic information from applicants of other State
12 programs.

13 (g) Enforcement of equity commitments in procurement
14 agreements.

15 (1) Any applicant awarded a REC contract under
16 procurement programs administered by the Agency that use
17 the equity points system shall be required to maintain,
18 for the duration of the contract, any activities and
19 commitments for which they obtained equity points at the
20 time of application. The Agency shall establish processes
21 and procedures for enforcement and monitoring of such
22 commitments, as set forth in this Section, in the
23 Long-Term Renewable Resources Procurement Plan.

24 (2) Any applicable contracts entered into as a result
25 of procurements by the Agency shall have provisions for
26 the monitoring and enforcement of the applicant's equity

1 commitments by the Agency, to be set forth in the
2 Long-Term Renewal Resources Procurement Plan, including
3 provisions for entering into a corrective action plan,
4 return of payments or reduction or suspension of future
5 payments if the Agency determines that the company or
6 entity has failed to maintain any equity commitments it
7 made at the time of application. Such contracts shall also
8 provide the following:

9 (A) that the company or entity receiving points
10 for equity points actions will provide the Agency with
11 an annual report demonstrating compliance with each of
12 the equity commitments contained in their bid;

13 (B) if at any point the Agency concludes that the
14 company or entity has not maintained the commitments
15 they provided at the time of their application, the
16 Agency may require the company or entity to enter into
17 a corrective action plan. A corrective action plan may
18 require changes in hiring and contracting practices,
19 contributions to the Clean Jobs Workforce Hubs Network
20 or Energy Transition Barrier Reduction Program, a halt
21 or reduction of future payments, or other remedies to
22 ensure the company or entity maintains its equity
23 commitments; and

24 (C) if, at the conclusion of the REC contract
25 period, the Agency determines that the company or
26 entity failed to meet the commitments provided at the

1 time of their application, the Agency may require the
2 return of payment or other remedies.

3 (h) All applicants shall be required to maintain all
4 pertinent documents, employment records, and other relevant
5 information about the activities and commitments for which
6 they obtained equity points. The Agency may require periodic
7 reports from each vendor that describes the status of each
8 equity action.

9 (i) If the Agency concludes that a company or entity
10 failed to achieve the equity commitments at the conclusion of
11 the renewable energy contract period, the Agency may preclude
12 that company from being awarded renewable energy credit
13 procurement contracts in subsequent procurement cycles or open
14 enrollment periods.

15 Section 30-28. The State Finance Act is amended by adding
16 Sections 5.938 and 5.939 as follows:

17 (30 ILCS 105/5.938 new)

18 Sec. 5.938. The Energy Transition Assistance Fund.

19 (30 ILCS 105/5.939 new)

20 Sec. 5.939. The Greenhouse Gas Emissions Reinvestment
21 Fund.

22 Section 30-30. The Illinois Procurement Code is amended by

1 changing Section 1-10 as follows:

2 (30 ILCS 500/1-10)

3 Sec. 1-10. Application.

4 (a) This Code applies only to procurements for which
5 bidders, offerors, potential contractors, or contractors were
6 first solicited on or after July 1, 1998. This Code shall not
7 be construed to affect or impair any contract, or any
8 provision of a contract, entered into based on a solicitation
9 prior to the implementation date of this Code as described in
10 Article 99, including, but not limited to, any covenant
11 entered into with respect to any revenue bonds or similar
12 instruments. All procurements for which contracts are
13 solicited between the effective date of Articles 50 and 99 and
14 July 1, 1998 shall be substantially in accordance with this
15 Code and its intent.

16 (b) This Code shall apply regardless of the source of the
17 funds with which the contracts are paid, including federal
18 assistance moneys. This Code shall not apply to:

19 (1) Contracts between the State and its political
20 subdivisions or other governments, or between State
21 governmental bodies, except as specifically provided in
22 this Code.

23 (2) Grants, except for the filing requirements of
24 Section 20-80.

25 (3) Purchase of care, except as provided in Section

1 5-30.6 of the Illinois Public Aid Code and this Section.

2 (4) Hiring of an individual as employee and not as an
3 independent contractor, whether pursuant to an employment
4 code or policy or by contract directly with that
5 individual.

6 (5) Collective bargaining contracts.

7 (6) Purchase of real estate, except that notice of
8 this type of contract with a value of more than \$25,000
9 must be published in the Procurement Bulletin within 10
10 calendar days after the deed is recorded in the county of
11 jurisdiction. The notice shall identify the real estate
12 purchased, the names of all parties to the contract, the
13 value of the contract, and the effective date of the
14 contract.

15 (7) Contracts necessary to prepare for anticipated
16 litigation, enforcement actions, or investigations,
17 provided that the chief legal counsel to the Governor
18 shall give his or her prior approval when the procuring
19 agency is one subject to the jurisdiction of the Governor,
20 and provided that the chief legal counsel of any other
21 procuring entity subject to this Code shall give his or
22 her prior approval when the procuring entity is not one
23 subject to the jurisdiction of the Governor.

24 (8) (Blank).

25 (9) Procurement expenditures by the Illinois
26 Conservation Foundation when only private funds are used.

1 (10) (Blank).

2 (11) Public-private agreements entered into according
3 to the procurement requirements of Section 20 of the
4 Public-Private Partnerships for Transportation Act and
5 design-build agreements entered into according to the
6 procurement requirements of Section 25 of the
7 Public-Private Partnerships for Transportation Act.

8 (12) Contracts for legal, financial, and other
9 professional and artistic services entered into on or
10 before December 31, 2018 by the Illinois Finance Authority
11 in which the State of Illinois is not obligated. Such
12 contracts shall be awarded through a competitive process
13 authorized by the Board of the Illinois Finance Authority
14 and are subject to Sections 5-30, 20-160, 50-13, 50-20,
15 50-35, and 50-37 of this Code, as well as the final
16 approval by the Board of the Illinois Finance Authority of
17 the terms of the contract.

18 (13) Contracts for services, commodities, and
19 equipment to support the delivery of timely forensic
20 science services in consultation with and subject to the
21 approval of the Chief Procurement Officer as provided in
22 subsection (d) of Section 5-4-3a of the Unified Code of
23 Corrections, except for the requirements of Sections
24 20-60, 20-65, 20-70, and 20-160 and Article 50 of this
25 Code; however, the Chief Procurement Officer may, in
26 writing with justification, waive any certification

1 required under Article 50 of this Code. For any contracts
2 for services which are currently provided by members of a
3 collective bargaining agreement, the applicable terms of
4 the collective bargaining agreement concerning
5 subcontracting shall be followed.

6 On and after January 1, 2019, this paragraph (13),
7 except for this sentence, is inoperative.

8 (14) Contracts for participation expenditures required
9 by a domestic or international trade show or exhibition of
10 an exhibitor, member, or sponsor.

11 (15) Contracts with a railroad or utility that
12 requires the State to reimburse the railroad or utilities
13 for the relocation of utilities for construction or other
14 public purpose. Contracts included within this paragraph
15 (15) shall include, but not be limited to, those
16 associated with: relocations, crossings, installations,
17 and maintenance. For the purposes of this paragraph (15),
18 "railroad" means any form of non-highway ground
19 transportation that runs on rails or electromagnetic
20 guideways and "utility" means: (1) public utilities as
21 defined in Section 3-105 of the Public Utilities Act, (2)
22 telecommunications carriers as defined in Section 13-202
23 of the Public Utilities Act, (3) electric cooperatives as
24 defined in Section 3.4 of the Electric Supplier Act, (4)
25 telephone or telecommunications cooperatives as defined in
26 Section 13-212 of the Public Utilities Act, (5) rural

1 water or waste water systems with 10,000 connections or
2 less, (6) a holder as defined in Section 21-201 of the
3 Public Utilities Act, and (7) municipalities owning or
4 operating utility systems consisting of public utilities
5 as that term is defined in Section 11-117-2 of the
6 Illinois Municipal Code.

7 (16) Procurement expenditures necessary for the
8 Department of Public Health to provide the delivery of
9 timely newborn screening services in accordance with the
10 Newborn Metabolic Screening Act.

11 (17) Procurement expenditures necessary for the
12 Department of Agriculture, the Department of Financial and
13 Professional Regulation, the Department of Human Services,
14 and the Department of Public Health to implement the
15 Compassionate Use of Medical Cannabis Program and Opioid
16 Alternative Pilot Program requirements and ensure access
17 to medical cannabis for patients with debilitating medical
18 conditions in accordance with the Compassionate Use of
19 Medical Cannabis Program Act.

20 (18) This Code does not apply to any procurements
21 necessary for the Department of Agriculture, the
22 Department of Financial and Professional Regulation, the
23 Department of Human Services, the Department of Commerce
24 and Economic Opportunity, and the Department of Public
25 Health to implement the Cannabis Regulation and Tax Act if
26 the applicable agency has made a good faith determination

1 that it is necessary and appropriate for the expenditure
2 to fall within this exemption and if the process is
3 conducted in a manner substantially in accordance with the
4 requirements of Sections 20-160, 25-60, 30-22, 50-5,
5 50-10, 50-10.5, 50-12, 50-13, 50-15, 50-20, 50-21, 50-35,
6 50-36, 50-37, 50-38, and 50-50 of this Code; however, for
7 Section 50-35, compliance applies only to contracts or
8 subcontracts over \$100,000. Notice of each contract
9 entered into under this paragraph (18) that is related to
10 the procurement of goods and services identified in
11 paragraph (1) through (9) of this subsection shall be
12 published in the Procurement Bulletin within 14 calendar
13 days after contract execution. The Chief Procurement
14 Officer shall prescribe the form and content of the
15 notice. Each agency shall provide the Chief Procurement
16 Officer, on a monthly basis, in the form and content
17 prescribed by the Chief Procurement Officer, a report of
18 contracts that are related to the procurement of goods and
19 services identified in this subsection. At a minimum, this
20 report shall include the name of the contractor, a
21 description of the supply or service provided, the total
22 amount of the contract, the term of the contract, and the
23 exception to this Code utilized. A copy of any or all of
24 these contracts shall be made available to the Chief
25 Procurement Officer immediately upon request. The Chief
26 Procurement Officer shall submit a report to the Governor

1 and General Assembly no later than November 1 of each year
2 that includes, at a minimum, an annual summary of the
3 monthly information reported to the Chief Procurement
4 Officer. This exemption becomes inoperative 5 years after
5 June 25, 2019 (the effective date of Public Act 101-27)
6 ~~this amendatory Act of the 101st General Assembly.~~

7 (19) Procurement expenditures necessary for the
8 Illinois Environmental Protection Agency to contract with
9 a firm to perform audits pursuant to Section 8-201.2 of
10 the Public Utilities Act.

11 (20) The retention of expert consulting firms
12 necessary for the Illinois Power Agency to conduct
13 disparity and availability studies regarding participants
14 in and beneficiaries of renewable energy programs and
15 procurements conducted pursuant to the Illinois Power
16 Agency Act.

17 Notwithstanding any other provision of law, for contracts
18 entered into on or after October 1, 2017 under an exemption
19 provided in any paragraph of this subsection (b), except
20 paragraph (1), (2), or (5), each State agency shall post to the
21 appropriate procurement bulletin the name of the contractor, a
22 description of the supply or service provided, the total
23 amount of the contract, the term of the contract, and the
24 exception to the Code utilized. The chief procurement officer
25 shall submit a report to the Governor and General Assembly no
26 later than November 1 of each year that shall include, at a

1 minimum, an annual summary of the monthly information reported
2 to the chief procurement officer.

3 (c) This Code does not apply to the electric power
4 procurement process provided for under Section 1-75 of the
5 Illinois Power Agency Act and Section 16-111.5 of the Public
6 Utilities Act.

7 (d) Except for Section 20-160 and Article 50 of this Code,
8 and as expressly required by Section 9.1 of the Illinois
9 Lottery Law, the provisions of this Code do not apply to the
10 procurement process provided for under Section 9.1 of the
11 Illinois Lottery Law.

12 (e) This Code does not apply to the process used by the
13 Capital Development Board to retain a person or entity to
14 assist the Capital Development Board with its duties related
15 to the determination of costs of a clean coal SNG brownfield
16 facility, as defined by Section 1-10 of the Illinois Power
17 Agency Act, as required in subsection (h-3) of Section 9-220
18 of the Public Utilities Act, including calculating the range
19 of capital costs, the range of operating and maintenance
20 costs, or the sequestration costs or monitoring the
21 construction of clean coal SNG brownfield facility for the
22 full duration of construction.

23 (f) (Blank).

24 (g) (Blank).

25 (h) This Code does not apply to the process to procure or
26 contracts entered into in accordance with Sections 11-5.2 and

1 11-5.3 of the Illinois Public Aid Code.

2 (i) Each chief procurement officer may access records
3 necessary to review whether a contract, purchase, or other
4 expenditure is or is not subject to the provisions of this
5 Code, unless such records would be subject to attorney-client
6 privilege.

7 (j) This Code does not apply to the process used by the
8 Capital Development Board to retain an artist or work or works
9 of art as required in Section 14 of the Capital Development
10 Board Act.

11 (k) This Code does not apply to the process to procure
12 contracts, or contracts entered into, by the State Board of
13 Elections or the State Electoral Board for hearing officers
14 appointed pursuant to the Election Code.

15 (l) This Code does not apply to the processes used by the
16 Illinois Student Assistance Commission to procure supplies and
17 services paid for from the private funds of the Illinois
18 Prepaid Tuition Fund. As used in this subsection (l), "private
19 funds" means funds derived from deposits paid into the
20 Illinois Prepaid Tuition Trust Fund and the earnings thereon.

21 (Source: P.A. 100-43, eff. 8-9-17; 100-580, eff. 3-12-18;
22 100-757, eff. 8-10-18; 100-1114, eff. 8-28-18; 101-27, eff.
23 6-25-19; 101-81, eff. 7-12-19; 101-363, eff. 8-9-19; revised
24 9-17-19.)

25 Section 30-33. The Counties Code is amended by changing

1 Section 5-12020 and by adding Section 5-12022 as follows:

2 (55 ILCS 5/5-12020)

3 Sec. 5-12020. Wind farms, electric-generating wind
4 devices, and commercial wind energy facilities.

5 (a) Definitions. As used in this Section:

6 "Commercial wind energy facility" has the meaning provided
7 by Section 10 of the Renewable Energy Facilities Agricultural
8 Impact Mitigation Act.

9 "Facility owner" means: (i) a person with a direct
10 ownership interest in a commercial wind energy facility,
11 regardless of whether the person was involved in acquiring the
12 necessary rights, permits and approvals or otherwise planning
13 for the construction and operation of a wind energy system;
14 and (ii) at the time a wind energy system is being developed, a
15 person who is acting as a wind energy system developer by
16 acquiring the necessary rights, permits and approvals for or
17 by planning for the construction and operation of a wind
18 energy system, regardless of whether the person will own or
19 operate the wind energy system.

20 "Nonparticipating property" means real property that is
21 not participating property.

22 "Nonparticipating residence" means an occupied residence
23 on nonparticipating property that is existing and occupied as
24 of the date of filing of a permit application by the commercial
25 wind energy facility.

1 "Occupied community building" means an existing structure
2 occupied as of the date of filing of a permit application by
3 the commercial wind energy facility, including, 207 but not
4 limited to, a school, place of worship, daycare facility,
5 public library, community center, or commercial building.

6 "Participating Property" means real property that is the
7 subject of a written agreement between the facility owner and
8 the owner of such real property which provides the facility
9 owner an easement, option, lease license or other agreement
10 for the purpose of constructing a wind tower or supporting
11 facilities on such real property.

12 "Participating residence" means a residence on
13 participating property occupied as of the date of filing of a
14 permit application.

15 "Shadow flicker" means shadows that are given off by wind
16 turbines when they are in full rotating motion.

17 "Supporting facilities" means the associated transmission
18 lines, substations, access roads located on private property,
19 meteorological towers, and other equipment related to the
20 generation of electricity from the commercial wind energy
21 facility.

22 "Wind tower" means the wind turbine tower, nacelle, and
23 blades.

24 (b) Notwithstanding any other provision of law or whether
25 the county has formed a zoning commission and adopted formal
26 zoning under Section 5-12007, a county may establish standards

1 for commercial wind energy facilities. ~~wind farms and~~
2 ~~electric-generating wind devices.~~ The standards may include,
3 ~~without limitation, the height of the devices and the number~~
4 ~~of devices that may be located within a geographic area.~~ A
5 county may also regulate the siting of commercial wind energy
6 facilities ~~wind farms and electric-generating wind devices~~ in
7 unincorporated areas of the county outside of the zoning
8 jurisdiction of a municipality and the 1.5 mile radius
9 surrounding the zoning jurisdiction of a municipality. A
10 county that establishes standards for items specified in
11 subsections (e) through (j) for ground mounted solar energy
12 systems shall do so in accordance with this Section. This
13 Section applies to home rule and non-home rule counties and is
14 a limitation under subsection (i) of Section 6 of Article VII
15 of the Illinois Constitution on the concurrent exercise by
16 home rule units of powers and functions exercised by the
17 State.

18 (c) There shall be at least one public hearing during
19 which public comment shall be taken regarding the application
20 for siting approval or a special use permit for a commercial
21 wind energy facility. The first public hearing shall be
22 noticed and shall commence not more than 75 days after the
23 filing of an application for siting approval or a special use
24 permit for a commercial wind energy facility, and the final
25 public hearing shall conclude not more than 90 days following
26 the filing. The county board or its designee shall make its

1 siting decision not more than 45 days after the conclusion of
2 the final public hearing or the conclusion of the special use
3 permit hearing by the zoning board of appeals. ~~not more than 30~~
4 days prior to a siting decision by the county board. Notice of
5 the hearing shall be published in a newspaper of general
6 circulation in the county or on a municipality's or county's
7 website. A commercial wind energy facility owner, as defined
8 in the Renewable Energy Facilities Agricultural Impact
9 Mitigation Act, shall ~~must~~ enter into an agricultural impact
10 mitigation agreement with the Department of Agriculture prior
11 to the date of the required public hearing. A commercial wind
12 energy facility owner seeking an extension of a permit granted
13 by a county prior to July 24, 2015 (the effective date of
14 Public Act 99-132) must enter into an agricultural impact
15 mitigation agreement with the Department of Agriculture prior
16 to a decision by the county to grant the permit extension.
17 Counties may allow test wind towers to be sited without formal
18 approval by the county board. ~~Any provision of a county zoning~~
19 ~~ordinance pertaining to wind farms that is in effect before~~
20 ~~August 16, 2007 (the effective date of Public Act 95-203) may~~
21 ~~continue in effect notwithstanding any requirements of this~~
22 ~~Section.~~

23 (d) A county with an existing zoning ordinance in conflict
24 with this Section shall amend such zoning ordinance to be in
25 compliance with this section within 180 days after the
26 effective date of this amendatory Act of the 102nd General

1 Assembly.

2 (e) This Section does not apply to a commercial wind
3 energy facility that began construction or was approved by a
4 political subdivision before the effective date of this
5 amendatory Act of the 102nd General Assembly.

6 A county may ~~not~~ require:

7 (1) a commercial wind energy facility to be sited with
8 setback distances measured from the center of the base of
9 the wind tower as follows:

10 Occupied Community Buildings: 2.1 times the
11 maximum blade tip height from the nearest point on the
12 outside wall of the structure.

13 Participating Residences: 1.1 times the maximum
14 blade tip height to the nearest point on the outside
15 wall of the structure.

16 Nonparticipating Residences: 2.1 times the maximum
17 blade tip height to the nearest point on the outside
18 wall of the structure.

19 Participating Property Lines: None.

20 Nonparticipating Property Lines: 1.1 times the
21 maximum blade tip height to the nearest point on the
22 property line.

23 Public Road Right-of-Way: 1.1 times the maximum
24 blade tip height to the center point of the public road
25 right-of-way.

26 Overhead Communication and Electric Transmission -

1 Not including utility service lines to individual
2 houses or out- buildings: 1.1 times the maximum blade
3 tip height to the center point of the easement
4 containing the overhead line.

5 Overhead Utility Service Lines - Lines to
6 individual houses or outbuildings: None.

7 (2) a wind tower to be sited in a manner such that
8 industry standard computer modeling indicates that any
9 occupied community building or nonparticipating residence
10 will not experience more than 30 hours per year of shadow
11 flicker under planned operating conditions.

12 (3) The requirements set forth in this subsection (e)
13 may be waived subject to the written consent of the owner
14 of the affected nonparticipating property.

15 ~~a wind tower or other renewable energy system that is used~~
16 ~~exclusively by an end user to be setback more than 1.1 times~~
17 ~~the height of the renewable energy system from the end user's~~
18 ~~property line.~~

19 (f) A county may not set a blade tip height limitation that
20 is more restrictive than the height allowed under a
21 Determination of No Hazard to Air Navigation by the Federal
22 Aviation Administration under 14 CFR Part 77.

23 (g) A county may not set a sound limitation that is more
24 restrictive than the sound limitations established by the
25 Illinois Pollution Control Board under 35 Ill. Adm. Code 900,
26 901, and 910.

1 (h) A county may not establish standards for items listed
2 in this Section, either directly or in effect, on the
3 installation or use of a commercial wind energy facility
4 except by adopting an ordinance that complies with this
5 Section and may not establish siting standards which are less
6 restrictive than any terms and conditions included in the
7 standard agricultural impact mitigation agreement available
8 from the Department of Agriculture in accordance with
9 subsection (f) of Section 15 of the Renewable Energy
10 Facilities Agricultural Impact Mitigation Act.

11 (i) A county may not require a wind tower or other
12 renewable energy system that is used exclusively by an end
13 user to be setback more than 1.1 times the height of the
14 renewable energy system from the user's property line.

15 (j) Only a county may establish standards for wind farms,
16 electric-generating wind devices, wind towers, supporting
17 facilities, and commercial wind energy facilities, as that
18 term is defined in Section 10 of the Renewable Energy
19 Facilities Agricultural Impact Mitigation Act, in
20 unincorporated areas of the county outside of the zoning
21 jurisdiction of a municipality and outside the 1.5 mile radius
22 surrounding the zoning jurisdiction of a municipality.

23 (Source: P.A. 100-598, eff. 6-29-18; 101-4, eff. 4-19-19.)

24 (55 ILCS 5/5-12022 new)

25 Sec. 5-12022. Ground mounted solar energy systems.

1 (a) Definitions. As used in this Section:

2 "Commercial solar energy system" or "CSE system" means a
3 system that captures and converts solar energy into
4 electricity that is generated primarily: (1) for the purpose
5 of selling the electricity at wholesale; and (2) for use in
6 locations other than where it is generated.

7 "Dwelling" means any building, structure, or part of a
8 building or structure that is occupied as, or is designed or
9 intended for occupancy as, a residence by one (1) or more
10 families or individuals.

11 "Ground mounted solar energy system" means a solar energy
12 system mounted on a rack or pole that is attached to the
13 ground, and includes either a commercial solar energy system
14 or a community renewable generation project, as that term is
15 defined in Section 1-10 of the Illinois Power Agency Act.

16 "Ground mounted solar energy system" includes transmission
17 lines, substations, ancillary buildings, solar monitoring
18 stations, and accessory equipment or structures that are
19 associated with the ground mounted solar energy system.

20 "Nonparticipating property" means real property that is
21 not participating property.

22 "Nonparticipating residence" means an occupied residence
23 on nonparticipating property that is existing and occupied as
24 of the date of filing of a permit application by the permit
25 applicant.

26 "Participating property" means real property that is the

1 subject of a written agreement between the facility owner and
2 the owner of such real property which provides the facility
3 owner an easement, option, lease license or other agreement
4 for the purpose of constructing a ground mounted solar energy
5 system on such real property.

6 "Participating residence" means an occupied residence on
7 participating property.

8 "Permit applicant" means a person who: (1) will own one or
9 more ground mounted solar energy systems; (2) owns one or more
10 round mounted solar energy systems; or (3) an agent or a
11 representative of a person described in item (1) or (2).

12 "Solar energy system" means a device, or array of devices,
13 whose purpose is to convert solar energy into electricity.

14 (b) Notwithstanding any other provision of law or whether
15 the county has formed a zoning commission and adopted formal
16 zoning under Section 5-12007, a county may establish standards
17 for ground mounted solar energy systems. The standards may
18 include without limitation all of the requirements specified
19 in subsections (f) through (q), but may not include
20 requirements for ground mounted solar energy systems that are
21 more restrictive than specified in subsections (f) through (q)
22 unless the restrictions apply to all other uses in the same
23 zoning classification. A county may also regulate the siting
24 of ground mounted solar energy systems in unincorporated areas
25 of the county outside of the zoning jurisdiction of a
26 municipality and the 1.5 mile radius surrounding the zoning

1 jurisdiction of a municipality. A county that establishes
2 standards for items specified in subsections (f) through (g)
3 for ground mounted solar energy systems shall do so in
4 accordance with this Section. This Section applies to home
5 rule and non-home rule counties and is a limitation under
6 subsection (i) of Section 6 of Article VII of the Illinois
7 Constitution on the concurrent exercise by home rule units of
8 powers and functions exercised by the State.

9 (c) There shall be at least one public hearing during
10 which public comment shall be taken regarding the application
11 for siting approval or a special use permit for a ground
12 mounted solar energy system. The first public hearing shall be
13 noticed and commenced not more than 75 days after the filing of
14 an application for siting approval or a special use permit for
15 a ground mounted solar energy system, and the final public
16 hearing shall be concluded not more than 90 days following the
17 filing. The county board or its designee shall make its siting
18 decision not more than 45 days after the conclusion of the
19 public hearing or the conclusion of the special use permit
20 hearing by the zoning board of appeals. Notice of the hearing
21 shall be published in a newspaper of general circulation in
22 the county.

23 (d) A county with an existing zoning ordinance in conflict
24 with this Section shall amend such zoning ordinance to be in
25 compliance with this Section within 180 days from the
26 effective date of this amendatory Act of the 102nd General

1 Assembly.

2 (e) This Section does not apply to a ground mounted solar
3 energy system that began construction or was approved by a
4 political subdivision before the effective date of this
5 amendatory Act of the 102nd General Assembly.

6 (f) A permit applicant may not install a ground mounted
7 solar energy system unless the distance measured from the
8 nearest outer edge of the ground mounted solar energy system
9 is as follows (subject to State and Federal setback
10 requirements):

11 Roadway - federal interstate highway, federal highway,
12 State highway, or county highway: at least 40 feet from
13 the right-of-way.

14 Roadway - collector road: at least 30 feet from the
15 right-of-way.

16 Roadway - local road: at least 10 feet from the
17 right-of-way.

18 Nonparticipating Residences: at least 150 feet from
19 the nearest point on the outside wall of a dwelling.

20 Nonparticipating Property Lines: at least 50 feet from
21 nearest point on the property line.

22 (g) A permit applicant shall install a landscape buffer
23 when the nearest outer edge of the ground mounted solar energy
24 system is within a distance of 250 feet of the nearest point on
25 the outer wall of a dwelling located on a nonparticipating
26 property. The permit applicant shall install a landscape

1 buffer in the area between the nearest outer edge of the ground
2 mounted solar energy system and the outer wall of the dwelling
3 located on the nonparticipating property: (i) in a location;
4 and (ii) constructed from such materials, as set forth in a
5 site plan submitted to the county, if required.

6 (h) The requirements set forth in subsection (g) may be
7 waived subject to the written consent of the owner of the
8 affected nonparticipating property.

9 (i) A permit applicant shall not install or locate a
10 ground mounted solar energy system that is more than 25 feet
11 above ground level when the ground mounted solar energy
12 system's arrays are at full tilt. However, a county may not
13 impose a clearance requirement between the ground and the
14 bottom edge of a ground mounted solar energy system's solar
15 panels.

16 (j) A permit applicant shall control weeds and vegetation
17 on the land where a ground mounted solar energy system is
18 located in accordance with the Agricultural Impact Mitigation
19 Agreement the permit applicant is required to sign by the
20 Renewable Energy Facilities Agricultural Impact Mitigation
21 Act. The use of pollinator seed mixes in the planting of ground
22 cover shall conform to the Pollinator-Friendly Solar Site Act.

23 (k) A permit applicant shall completely enclose the ground
24 mounted solar energy system with fencing that is at least 6
25 feet high.

26 (l) A permit applicant shall install and maintain support

1 structures, aboveground facilities, guy wires and anchors, and
2 underground cabling in accordance with the Agricultural Impact
3 Mitigation Agreement the permit applicant is required to sign
4 by the Renewable Energy Facilities Agricultural Impact
5 Mitigation Act.

6 (m) A ground mounted solar energy system is to be designed
7 and constructed to: (i) minimize glare on adjacent properties
8 and roadways; and (ii) not interfere with vehicular traffic,
9 including air traffic.

10 (n) A ground mounted solar energy system shall not
11 interfere with: (i) television signals; (ii) microwave
12 signals; (iii) agricultural global positioning systems; (iv)
13 military defense radar; or (v) radio reception.

14 (o) A permit applicant is to operate a ground mounted
15 solar energy system in a manner such that the sound
16 attributable to the ground mounted solar energy system will
17 not exceed the sound limitations established by the Illinois
18 Pollution Control Board under 35 Ill. Adm. Code 900, 901, and
19 910.

20 (p) A permit applicant will comply with local road load
21 limits and will apply for permits to use overweight vehicles,
22 if necessary.

23 (q) A county may not establish standards for items listed
24 in subsections (f) through (p), either directly or in effect,
25 on the installation or use of a ground mounted solar energy
26 system except by adopting an ordinance that complies with this

1 Section and may not establish siting standards that
2 effectively preclude development of ground mounted solar
3 energy systems in the county.

4 (r) Only a county may establish standards for ground
5 mounted solar energy systems and Commercial Solar Energy
6 Facilities, as that term is defined in Section 10 of the
7 Renewable Energy Facilities Agricultural Impact Mitigation
8 Act, in unincorporated areas of the county outside of the
9 zoning jurisdiction of a municipality and outside the 1.5 mile
10 radius surrounding the zoning jurisdiction of a municipality.

11 Section 30-35. The Illinois Municipal Code is amended by
12 adding Section 8-11-2.7 as follows:

13 (65 ILCS 5/8-11-2.7 new)

14 Sec. 8-11-2.7. Non-Home Rule Municipal Gas Use Tax.

15 (a) This Section may be cited as the Non-Home Rule
16 Municipal Gas Use Tax Law.

17 (b) As used in this Section:

18 "Delivering supplier" means a person engaged in the
19 business of delivering gas to another person for use or
20 consumption and not for resale, and who, in any case where more
21 than one person participates in the delivery of gas to a
22 specific purchaser, is the last of the suppliers engaged in
23 delivering the gas prior to its receipt by the purchaser.

24 "Delivering supplier maintaining a place of business in

1 this State" means any delivering supplier having or
2 maintaining within this State, directly or by a subsidiary, an
3 office, distribution facility, sales office, or other place of
4 business, or any employee, agent, or other representative
5 operating within this State under the authority of the
6 delivering supplier or the delivering supplier's subsidiary,
7 irrespective of whether the place of business or agent or
8 other representative is located in this State permanently or
9 temporarily, or whether the delivering supplier or the
10 delivering supplier's subsidiary is licensed to do business in
11 this State.

12 "Gas" means any gaseous fuel distributed through a
13 pipeline system.

14 "Person" means any natural individual, firm, trust,
15 estate, partnership, association, joint stock company, joint
16 adventure, corporation, or limited liability company, any
17 receiver, trustee, guardian, or other representative appointed
18 by order of any court, or any city, town, county, or other
19 political subdivision of this State.

20 "Purchase of out-of-state gas" means a transaction for the
21 purchase of gas from any supplier in a manner that does not
22 subject the seller of that gas to liability for a tax imposed
23 under paragraph 2 of Section 8-11-2 of the Illinois Municipal
24 Code.

25 "Purchase price" means the consideration paid for the
26 distribution, supply, furnishing, sale, transportation, or

1 delivery of gas to a person for use or consumption and not for
2 resale, and for all services directly related to the
3 production, transportation, or distribution of gas
4 distributed, supplied, furnished, sold, transmitted, or
5 delivered for use or consumption, including cash, services,
6 and property of every kind and nature. "Purchase price" does
7 not include consideration paid for:

8 (1) a charge for a dishonored check;

9 (2) a finance or credit charge, penalty, charge for
10 delayed payment, or discount for prompt payment;

11 (3) a charge for reconnection of service or for
12 replacement or relocation of facilities;

13 (4) an advance or contribution in aid of construction;

14 (5) repair, inspection, or servicing of equipment
15 located on customer premises;

16 (6) leasing or rental of equipment, the leasing or
17 rental of which is not necessary to furnishing, supplying,
18 or selling gas;

19 (7) a purchase by a purchaser if the supplier is
20 prohibited by a federal or State constitution, treaty,
21 convention, statute, or court decision from recovering the
22 related tax liability from such purchaser; or

23 (8) an amount added to a purchaser's bill because of
24 changes made pursuant to the tax imposed by the
25 municipality.

26 (c) The privilege of using or consuming gas acquired in a

1 purchase at retail and used or consumed within the corporate
2 limits of a non-home rule municipality may be taxed at rates
3 not to exceed the maximum rates, calculated on a monthly basis
4 for each purchaser, as provided in this Section.

5 (d) Beginning January 1, 2022, a non-home rule
6 municipality may impose upon the privilege of using in the
7 municipality gas obtained in a purchase of out-of-state gas at
8 the rate per therm established by the non-home rule
9 municipality or 5% of the purchase price for the billing
10 period, whichever is the lower rate. This tax rate is the
11 self-assessing purchaser tax rate. Beginning with bills issued
12 by delivering suppliers on and after January 1, 2022 to
13 purchasers within a municipality imposing a tax pursuant to
14 this Section, purchasers may elect an alternate tax rate per
15 therm established by the non-home rule municipality to be paid
16 under the provisions of subsection (e) to a delivering
17 supplier maintaining a place of business in this State. The
18 non-home rule municipality shall establish this alternate tax
19 rate, not less than annually, a rate per therm that would not
20 exceed a tax imposed at the rate of 5% of the gross receipts
21 for the purchase price for the billing period.

22 (e) Beginning with bills issued on and after January 1,
23 2022, a delivering supplier maintaining a place of business in
24 this State shall collect from the purchasers within a
25 municipality imposing a tax pursuant to this Section who have
26 elected the alternate tax rate provided in subsection (d) the

1 tax that is imposed by the municipality at the alternate tax
2 rate. The tax imposed at the alternate tax rate shall, when
3 collected, be stated as a distinct and separate item apart
4 from the selling price of the gas. The tax collected by a
5 delivering supplier shall constitute a debt owed by that
6 person to the municipality imposing the tax. Upon receipt by a
7 delivering supplier of a copy of a certificate of registration
8 issued to a self-assessing purchaser under subsection (f), the
9 delivering supplier is relieved of the duty to collect the
10 alternate tax from that self-assessing purchaser beginning
11 with bills issued to that self-assessing purchaser 30 or more
12 days after receipt of the copy of that certificate of
13 registration.

14 (f) Any purchaser who does not elect the alternate tax
15 rate to be paid to a delivering supplier shall register with
16 the municipality imposing the tax as a self-assessing
17 purchaser and pay the tax imposed directly to the municipality
18 imposing the tax at the self-assessing purchaser rate.

19 Application for a certificate of registration as a
20 self-assessing purchaser shall be made to the municipality
21 imposing the tax on forms furnished by the municipality and
22 shall contain any reasonable information that the municipality
23 requires. The self-assessing purchaser shall disclose the name
24 of the delivering supplier or suppliers who are delivering the
25 gas upon which the self-assessing purchaser will be paying tax
26 to the municipality imposing the tax.

1 Upon receipt of an application for a certificate of
2 registration in proper form, the municipality imposing the tax
3 shall issue to the applicant a certificate of registration as
4 a self-assessing purchaser. The applicant shall provide a copy
5 of the certificate of registration as a self-assessing
6 purchaser to the applicant's delivering supplier or suppliers.
7 A purchaser registering as a self-assessing purchaser may not
8 revoke the registration for at least one year after
9 registration.

10 (g) Except for purchasers who have chosen the alternate
11 tax rate to be paid to a delivering supplier maintaining a
12 place of business in this State, the tax imposed by the
13 municipality pursuant to subsection (d) shall be paid to the
14 municipality imposing the tax directly by each self-assessing
15 purchaser that is subject to the tax imposed by the
16 municipality. Each self-assessing purchaser shall, on or
17 before the 15th day of each month, make a return to the
18 municipality imposing the tax for the preceding calendar
19 month, stating the following:

20 (1) the self-assessing purchaser's name and principal
21 address;

22 (2) the total number of therms used by the
23 self-assessing purchaser during the preceding calendar
24 month and upon the basis of which the tax is imposed;

25 (3) the purchase price of gas used by the
26 self-assessing purchaser during the preceding calendar

1 month and upon the basis of which the tax is imposed;

2 (4) amount of tax (computed upon items (2) and (3));

3 and

4 (5) any other reasonable information the municipality
5 imposing the tax may require.

6 (h) A delivering supplier maintaining a place of business
7 in this State who engages in the delivery of gas to customers
8 within a municipality imposing the tax in this State shall
9 register with the municipality imposing the tax. A delivering
10 supplier, if required to otherwise register pursuant to a tax
11 imposed under Section 8-11-2 of this Code, need not obtain an
12 additional certificate of registration under this Section, but
13 shall be deemed to be sufficiently registered by virtue of
14 that registration with the municipality imposing the tax.

15 Application for a certificate of registration shall be
16 made to the municipality imposing the tax on forms furnished
17 by the municipality and shall contain any reasonable
18 information the municipality may require. Upon receipt of a
19 completed application for a certificate of registration, the
20 municipality imposing the tax shall issue to the applicant a
21 certificate of registration. The municipality imposing the tax
22 may deny a certificate of registration to any applicant if the
23 applicant is in default for moneys due under this Section. A
24 person aggrieved by a decision of the municipality imposing
25 the tax under this subsection may, within 20 days after notice
26 of the decision, protest and request a hearing, whereupon the

1 municipality imposing the tax shall give notice to the person
2 of the time and place fixed for the hearing, shall hold a
3 hearing in conformity with the provisions of this Section, and
4 then issue its final administrative decision in the matter to
5 the person. In the absence of a protest within 20 days, the
6 municipality's decision shall become final without any further
7 determination being made or notice given.

8 (i) A delivering supplier who is required under subsection
9 (e) to collect the tax imposed by the municipality shall make a
10 return to the municipality imposing the tax on or before the
11 15th day of each month for the preceding calendar month
12 stating the following:

13 (1) the delivering supplier's name;

14 (2) the address of the delivering supplier's principal
15 place of business and the address of the principal place
16 of business (if that is a different address) from which
17 the delivering supplier engages in the business of
18 delivering gas to persons for use or consumption and not
19 for resale;

20 (3) the total number of therms of gas delivered to
21 purchasers within a municipality imposing a tax pursuant
22 to this Section during the preceding calendar month and
23 upon the basis of which the tax is imposed;

24 (4) the amount of tax computed upon item (3); and

25 (5) any other reasonable information as the
26 municipality imposing the tax may require.

1 In making the return, the delivering supplier engaged in
2 the business of delivering gas to persons for use or
3 consumption and not for resale may use any reasonable method
4 to derive reportable therms from the delivering supplier's
5 billing and payment records.

6 Notwithstanding any other provision in this Section
7 concerning the time within which a delivering supplier may
8 file its return, in the case of a delivering supplier who
9 ceases to engage in a kind of business that makes it
10 responsible for filing returns with a municipality imposing a
11 tax under this Section, the delivering supplier shall file a
12 final return under this Section with the affected municipality
13 not more than one month after discontinuing a kind of business
14 that makes it responsible for filing returns with a
15 municipality.

16 The delivering supplier making the return provided for in
17 this Section shall, at the time of making the return, pay to
18 the municipality the amount of tax imposed by the
19 municipality.

20 Section 30-40. The Public Utilities Act is amended by
21 changing Sections 3-105, 5-117, 8-103B, 8-406, 9-201, 9-220.3,
22 9-221, 9-227, 9-229, 9-241, 16-107.5, 16-107.6, 16-108,
23 16-108.5, 16-111.5, 16-111.8, 16-115, 16-115C, 19-110, and
24 19-145 and by adding Sections 4-604, 8-103C, 8-104.1, 8-201.7,
25 8-201.8, 8-201.9, 8-201.10, 8-201.11, 8-201.12, 8-201.13,

1 8-201.14, 8-512, 16-108.17, 16-108.18, 16-108.19, 16-108.20,
2 16-108.21, and 16-108.22 as follows:

3 (220 ILCS 5/3-105) (from Ch. 111 2/3, par. 3-105)

4 Sec. 3-105. Public utility.

5 (a) "Public utility" means and includes, except where
6 otherwise expressly provided in this Section, every
7 corporation, company, limited liability company, association,
8 joint stock company or association, firm, partnership or
9 individual, their lessees, trustees, or receivers appointed by
10 any court whatsoever that now or hereafter owns, controls,
11 operates or manages, within this State, directly or
12 indirectly, for public use, any plant, equipment or property
13 used or to be used for or in connection with, or now owns or
14 controls or currently seeks Commission approval to own or
15 control any franchise, license, permit or right to engage in:

16 (1) the production, storage, transmission, sale,
17 delivery or furnishing of heat, cold, power, electricity,
18 water, or light, except when used solely for
19 communications purposes;

20 (2) the disposal of sewerage; or

21 (3) the conveyance of oil or gas by pipe line.

22 (b) "Public utility" does not include, however:

23 (1) public utilities that are owned and operated by
24 any political subdivision, public institution of higher
25 education or municipal corporation of this State, or

1 public utilities that are owned by such political
2 subdivision, public institution of higher education, or
3 municipal corporation and operated by any of its lessees
4 or operating agents;

5 (2) water companies which are purely mutual concerns,
6 having no rates or charges for services, but paying the
7 operating expenses by assessment upon the members of such
8 a company and no other person;

9 (3) electric cooperatives as defined in Section 3-119;

10 (4) the following natural gas cooperatives:

11 (A) residential natural gas cooperatives that are
12 not-for-profit corporations established for the
13 purpose of administering and operating, on a
14 cooperative basis, the furnishing of natural gas to
15 residences for the benefit of their members who are
16 residential consumers of natural gas. For entities
17 qualifying as residential natural gas cooperatives and
18 recognized by the Illinois Commerce Commission as
19 such, the State shall guarantee legally binding
20 contracts entered into by residential natural gas
21 cooperatives for the express purpose of acquiring
22 natural gas supplies for their members. The Illinois
23 Commerce Commission shall establish rules and
24 regulations providing for such guarantees. The total
25 liability of the State in providing all such
26 guarantees shall not at any time exceed \$1,000,000,

1 nor shall the State provide such a guarantee to a
2 residential natural gas cooperative for more than 3
3 consecutive years; and

4 (B) natural gas cooperatives that are
5 not-for-profit corporations operated for the purpose
6 of administering, on a cooperative basis, the
7 furnishing of natural gas for the benefit of their
8 members and that, prior to 90 days after the effective
9 date of this amendatory Act of the 94th General
10 Assembly, either had acquired or had entered into an
11 asset purchase agreement to acquire all or
12 substantially all of the operating assets of a public
13 utility or natural gas cooperative with the intention
14 of operating those assets as a natural gas
15 cooperative;

16 (5) sewage disposal companies which provide sewage
17 disposal services on a mutual basis without establishing
18 rates or charges for services, but paying the operating
19 expenses by assessment upon the members of the company and
20 no others;

21 (6) (blank);

22 (7) cogeneration facilities, small power production
23 facilities, and other qualifying facilities, as defined in
24 the Public Utility Regulatory Policies Act and regulations
25 promulgated thereunder, except to the extent State
26 regulatory jurisdiction and action is required or

1 authorized by federal law, regulations, regulatory
2 decisions or the decisions of federal or State courts of
3 competent jurisdiction;

4 (8) the ownership or operation of a facility that
5 sells compressed natural gas at retail to the public for
6 use only as a motor vehicle fuel and the selling of
7 compressed natural gas at retail to the public for use
8 only as a motor vehicle fuel;

9 (9) alternative retail electric suppliers as defined
10 in Article XVI; and

11 (10) the Illinois Power Agency.

12 (c) An entity that furnishes the service of charging
13 electric vehicles does not and shall not be deemed to sell
14 electricity and is not and shall not be deemed a public utility
15 notwithstanding the basis on which the service is provided or
16 billed. If, however, the entity is otherwise deemed a public
17 utility under this Act, or is otherwise subject to regulation
18 under this Act, then that entity is not exempt from and remains
19 subject to the otherwise applicable provisions of this Act.
20 The installation, maintenance, and repair of an electric
21 vehicle charging station shall comply with the requirements of
22 subsection (a) of Section 16-128 and Section 16-128A of this
23 Act.

24 For purposes of this subsection, the term "electric
25 vehicles" has the meaning ascribed to that term in Section 10
26 of the Electric Vehicle Act.

1 (Source: P.A. 97-1128, eff. 8-28-12.)

2 (220 ILCS 5/4-604 new)

3 Sec. 4-604. Restitution for misconduct.

4 (a) It is the policy of this State that public utility
5 ethical and criminal misconduct shall not be tolerated. The
6 General Assembly finds it necessary to collect restitution, to
7 be distributed as described in subsection (e), from a public
8 utility that has been found guilty of violations of criminal
9 law or that has entered into a Deferred Prosecution Agreement
10 that details violations of criminal law that result in harm to
11 ratepayers.

12 (b) In light of such violations, the Illinois Commerce
13 Commission shall, within 150 days after the effective date of
14 this amendatory Act of the 102nd General Assembly, initiate an
15 investigation as to whether Commonwealth Edison collected,
16 spent, allocated, transferred, remitted, or caused in any
17 other way to be expended ratepayer funds in connection with
18 the conduct detailed in the Deferred Prosecution Agreement of
19 July 16, 2020 between the United States Attorney for the
20 Northern District of Illinois and Commonwealth Edison. The
21 investigation shall also determine whether any ratepayer funds
22 were used to pay the criminal penalty agreed to in the Deferred
23 Prosecution Agreement. The investigation shall determine
24 whether the public utility collected, spent, allocated,
25 transferred, remitted, or caused in any other way to be

1 expended ratepayer funds that were not lawfully recoverable
2 through rates, and which should accordingly be refunded to
3 ratepayers and calculate such benefits to initiate a refund to
4 ratepayers as a result of such conduct. The investigation
5 shall conclude no later than 330 days following initiation and
6 shall be conducted as a "contested case" as defined in Section
7 1-30 of the Illinois Administrative Procedure Act.

8 (c) In the event that regulated entities are found guilty
9 of criminal conduct, the Commission may initiate an
10 investigation, impose penalties, order restitution and such
11 other remedies it deems necessary, and initiate refunds to
12 ratepayers as described in subsection (b). Such investigation
13 and proceeding may commence within 150 days of a finding of
14 guilt. Any funds collected pursuant to this subsection shall
15 be distributed as described in subsection (e). The Commission
16 may order any other remedies it deems necessary.

17 (d) Pursuant to subsection (e), the investigation shall
18 calculate a schedule for remittance to State funds and to
19 ratepayers, over a period of no more than 4 years, to be paid
20 by the public utility from profits, returns, or shareholder
21 dollars. No costs related to the investigation or contested
22 proceeding authorized by this Section, restitution, or refunds
23 may be recoverable through rates.

24 (e) Funds collected pursuant to this Section, for the
25 purposes of restitution, shall be repaid by the public utility
26 in the following manner: (1) 25% shall be contributed to

1 expand the Percentage of Income Payment Program; (2) 25% shall
2 be contributed to funding to assist intervenors in Commission
3 dockets; and (3) the remaining percentage of funds collected
4 shall be provided as a per therm or per-kilowatt-hour credit
5 to the public utility's ratepayers.

6 (f) No public utility may use ratepayer funds to pay a
7 criminal penalty imposed by any local, State or federal law
8 enforcement entity or court.

9 (220 ILCS 5/5-117)

10 Sec. 5-117. Supplier diversity goals.

11 (a) The public policy of this State is to collaboratively
12 work with companies that serve Illinois residents to improve
13 their supplier diversity ~~in a non-antagonistic manner.~~

14 (b) The Commission shall require all gas, electric, and
15 water utilities serving ~~companies with~~ at least 100,000
16 customers under its authority, holders of Certificates in Good
17 Standing under Section 15-401 of this Act, Alternative Retail
18 Electric Suppliers, Alternative Gas Suppliers, and
19 utility-scale generators ~~as well as suppliers~~ of wind energy,
20 solar energy, hydroelectricity, nuclear energy, and any other
21 supplier of energy within this State, to submit annually ~~an~~
22 ~~annual report~~ by April 15, 2015 and every April 15 thereafter,
23 in a searchable Adobe PDF format and other formats as
24 designated by Commission staff, a report containing all
25 information set forth in subsection (c) of this Section. For

1 purposes of this Section, the terms "minority person",
2 "woman", "person with a disability", "minority-owned
3 business", "women-owned business", and "business owned by a
4 person with a disability" have the meanings given to those
5 terms in Section 2 of the Business Enterprise for Minorities,
6 Women, and Persons with Disabilities Act. For purposes of this
7 Section, "veteran-owned business" means a business that is at
8 least 51% owned by one or more veterans, in the case of a
9 corporation, at least 51% of the stock of which is owned by one
10 or more veterans, or in the case of a limited liability
11 company, at least 51% of the membership interest of which is
12 owned by one or more veterans. , on all procurement goals and
13 actual spending for female-owned, minority-owned,
14 veteran-owned, and small business enterprises in the previous
15 calendar year. These goals shall be expressed as a percentage
16 of the total work performed by the entity submitting the
17 report, and the actual spending for all female owned,
18 minority owned, veteran owned, and small business enterprises
19 shall also be expressed as a percentage of the total work
20 performed by the entity submitting the report.

21 (c) Each reporting entity shall include in its annual
22 report participating company in its annual report shall
23 include the following information:

24 (0.5) procurement goals and actual spending for
25 women-owned, minority-owned, veteran-owned, and small
26 businesses in the previous calendar year, which shall be

1 expressed as a percentage of the total work performed by
2 the entity submitting the report, and the actual spending
3 for all women-owned, minority-owned, veteran-owned, and
4 small businesses, and business owned by a person with a
5 disability, which shall:

6 (A) be expressed as a percentage of the total work
7 performed by the entity submitting the report, and the
8 actual spending for all women-owned, minority-owned,
9 veteran-owned, and small businesses, and businesses
10 owned a person with a disability; and

11 (B) indicate the types of services provided by
12 category, including but not limited to professional
13 services, financial services, construction,
14 installation, maintenance, other services;

15 (1) an explanation of the plan for the next year to
16 increase participation;

17 (2) an explanation of the plan to increase the goals;

18 (3) the areas of procurement each reporting entity
19 ~~company~~ shall be actively seeking more participation in ~~in~~
20 the next year;

21 (4) an outline of the plan to alert and encourage
22 potential vendors in that area to seek business from the
23 reporting entity ~~company~~;

24 (5) an explanation of the challenges faced in finding
25 quality vendors and offer any suggestions for what the
26 Commission could do to be helpful to identify those

1 vendors;

2 (6) a list of the certifications the reporting entity
3 ~~company~~ recognizes;

4 (7) the point of contact for any potential vendor who
5 wishes to do business with the reporting entity ~~company~~
6 and explain the process for a vendor to enroll with the
7 company as a minority-owned, women-owned, or veteran-owned
8 company; ~~and~~

9 (8) any particular success stories to encourage other
10 entities ~~companies~~ to emulate as best practices;

11 (9) if the reporting entity is a corporation, the
12 number of minority persons, women and persons with a
13 disability who are directors or officers of the
14 corporation, and the percentage of the total number of
15 directors and officers that minority persons, women and
16 persons with a disability constitute; and

17 (10) if the reporting entity is a limited liability
18 company, the number of minority persons, women and persons
19 with a disability who are members or managers of the
20 limited liability company, and the percentage of the total
21 number of members and managers that minority persons,
22 women and persons with a disability constitute.

23 (d) Each annual report shall provide ~~include as much~~
24 State-specific data in reporting the information required in
25 subsection (c) ~~as possible. If the submitting entity does not~~
26 ~~submit State specific data, then the company shall include any~~

1 ~~national data it does have and explain why it could not submit~~
2 ~~State specific data and how it intends to do so in future~~
3 ~~reports, if possible.~~

4 (e) Each annual report shall include the rules,
5 regulations, and definitions used for the procurement goals in
6 the company's annual report.

7 (e-5) If any entity required to submit an annual report
8 under this Section fails to submit its report as prescribed in
9 subsection (b), the Commission shall assess a penalty of \$100
10 per day for each day that the entity fails to submit its report
11 after the date upon which it is due to be filed. If the entity
12 fails to submit an annual report within 120 days after the date
13 upon which it is due, the Commission may suspend or revoke any
14 license, certificate or other authority issued by the
15 Commission that the entity holds or possesses.

16 (f) The Commission and all reporting ~~participating~~
17 entities shall hold an annual workshop open to the public in
18 2015 and every year thereafter on the state of supplier
19 diversity to collaboratively seek solutions to structural
20 impediments to achieving stated goals, including testimony
21 from each participating entity as well as subject matter
22 experts and advocates. The Commission shall publish a database
23 on its website of the point of contact for each participating
24 entity for supplier diversity, along with a list of
25 certifications each company recognizes from the information
26 submitted in each annual report. The Commission shall publish

1 each annual report on its website and shall maintain each
2 annual report for at least 5 years.

3 (Source: P.A. 98-1056, eff. 8-26-14; 99-906, eff. 6-1-17;
4 revised 7-22-19.)

5 (220 ILCS 5/8-103B)

6 Sec. 8-103B. Energy efficiency and demand-response
7 measures.

8 (a) It is the policy of the State that electric utilities
9 are required to use cost-effective energy efficiency and
10 demand-response measures to reduce delivery load. Requiring
11 investment in cost-effective energy efficiency and
12 demand-response measures will reduce direct and indirect costs
13 to consumers by decreasing environmental impacts and by
14 avoiding or delaying the need for new generation,
15 transmission, and distribution infrastructure. It serves the
16 public interest to allow electric utilities to recover costs
17 for reasonably and prudently incurred expenditures for energy
18 efficiency and demand-response measures. As used in this
19 Section, "cost-effective" means that the measures satisfy the
20 total resource cost test. The low-income measures described in
21 subsection (c) of this Section shall not be required to meet
22 the total resource cost test. For purposes of this Section,
23 the terms "energy-efficiency", "demand-response", "electric
24 utility", and "total resource cost test" have the meanings set
25 forth in the Illinois Power Agency Act.

1 (a-5) This Section applies to electric utilities serving
2 more than 500,000 retail customers in the State for those
3 multi-year plans commencing after December 31, 2017.

4 (b) For purposes of this Section, electric utilities
5 subject to this Section that serve more than 3,000,000 retail
6 customers in the State shall be deemed to have achieved a
7 cumulative persisting annual savings of 6.6% from energy
8 efficiency measures and programs implemented during the period
9 beginning January 1, 2012 and ending December 31, 2017, which
10 percent is based on the deemed average weather normalized
11 sales of electric power and energy during calendar years 2014,
12 2015, and 2016 of 88,000,000 MWhs. For the purposes of this
13 subsection (b) and subsection (b-5), the 88,000,000 MWhs of
14 deemed electric power and energy sales shall be reduced by the
15 number of MWhs equal to the sum of the annual consumption of
16 customers that have opted out of ~~are exempt from~~ subsections
17 (a) through (j) of this Section under paragraph (1) of
18 subsection (1) of this Section, as averaged across the
19 calendar years 2014, 2015, and 2016. After 2017, the deemed
20 value of cumulative persisting annual savings from energy
21 efficiency measures and programs implemented during the period
22 beginning January 1, 2012 and ending December 31, 2017, shall
23 be reduced each year, as follows, and the applicable value
24 shall be applied to and count toward the utility's achievement
25 of the cumulative persisting annual savings goals set forth in
26 subsection (b-5):

1 (1) 5.8% deemed cumulative persisting annual savings
2 for the year ending December 31, 2018;

3 (2) 5.2% deemed cumulative persisting annual savings
4 for the year ending December 31, 2019;

5 (3) 4.5% deemed cumulative persisting annual savings
6 for the year ending December 31, 2020;

7 (4) 4.0% deemed cumulative persisting annual savings
8 for the year ending December 31, 2021;

9 (5) 3.5% deemed cumulative persisting annual savings
10 for the year ending December 31, 2022;

11 (6) 3.1% deemed cumulative persisting annual savings
12 for the year ending December 31, 2023;

13 (7) 2.8% deemed cumulative persisting annual savings
14 for the year ending December 31, 2024;

15 (8) 2.5% deemed cumulative persisting annual savings
16 for the year ending December 31, 2025;

17 (9) 2.3% deemed cumulative persisting annual savings
18 for the year ending December 31, 2026;

19 (10) 2.1% deemed cumulative persisting annual savings
20 for the year ending December 31, 2027;

21 (11) 1.8% deemed cumulative persisting annual savings
22 for the year ending December 31, 2028;

23 (12) 1.7% deemed cumulative persisting annual savings
24 for the year ending December 31, 2029; and

25 (13) 1.5% deemed cumulative persisting annual savings
26 for the year ending December 31, 2030.

1 For purposes of this Section, "cumulative persisting
2 annual savings" means the total electric energy savings in a
3 given year from measures installed in that year or in previous
4 years, but no earlier than January 1, 2012, that are still
5 operational and providing savings in that year because the
6 measures have not yet reached the end of their useful lives.

7 (b-5) Beginning in 2018, electric utilities subject to
8 this Section that serve more than 3,000,000 retail customers
9 in the State shall achieve the following cumulative persisting
10 annual savings goals, as modified by subsection (f) of this
11 Section and as compared to the deemed baseline of 88,000,000
12 MWhs of electric power and energy sales set forth in
13 subsection (b), as reduced by the number of MWhs equal to the
14 sum of the annual consumption of customers that have opted out
15 of are exempt from subsections (a) through (j) of this Section
16 under paragraph (1) of subsection (l) of this Section as
17 averaged across the calendar years 2014, 2015, and 2016,
18 through the implementation of energy efficiency measures
19 during the applicable year and in prior years, but no earlier
20 than January 1, 2012:

21 (1) 7.8% cumulative persisting annual savings for the
22 year ending December 31, 2018;

23 (2) 9.1% cumulative persisting annual savings for the
24 year ending December 31, 2019;

25 (3) 10.4% cumulative persisting annual savings for the
26 year ending December 31, 2020;

1 (4) 11.8% cumulative persisting annual savings for the
2 year ending December 31, 2021;

3 (5) 13.1% cumulative persisting annual savings for the
4 year ending December 31, 2022;

5 (6) 14.4% cumulative persisting annual savings for the
6 year ending December 31, 2023;

7 (7) 15.7% cumulative persisting annual savings for the
8 year ending December 31, 2024;

9 (8) 17% cumulative persisting annual savings for the
10 year ending December 31, 2025;

11 (9) 17.9% cumulative persisting annual savings for the
12 year ending December 31, 2026;

13 (10) 18.8% cumulative persisting annual savings for
14 the year ending December 31, 2027;

15 (11) 19.7% cumulative persisting annual savings for
16 the year ending December 31, 2028;

17 (12) 20.6% cumulative persisting annual savings for
18 the year ending December 31, 2029; and

19 (13) 21.5% cumulative persisting annual savings for
20 the year ending December 31, 2030.

21 (b-10) For purposes of this Section, electric utilities
22 subject to this Section that serve less than 3,000,000 retail
23 customers but more than 500,000 retail customers in the State
24 shall be deemed to have achieved a cumulative persisting
25 annual savings of 6.6% from energy efficiency measures and
26 programs implemented during the period beginning January 1,

1 2012 and ending December 31, 2017, which is based on the deemed
2 average weather normalized sales of electric power and energy
3 during calendar years 2014, 2015, and 2016 of 36,900,000 MWhs.
4 For the purposes of this subsection (b-10) and subsection
5 (b-15), the 36,900,000 MWhs of deemed electric power and
6 energy sales shall be reduced by the number of MWhs equal to
7 the sum of the annual consumption of customers that have opted
8 out of ~~are exempt from~~ subsections (a) through (j) of this
9 Section under paragraph (1) of subsection (1) of this Section,
10 as averaged across the calendar years 2014, 2015, and 2016.
11 After 2017, the deemed value of cumulative persisting annual
12 savings from energy efficiency measures and programs
13 implemented during the period beginning January 1, 2012 and
14 ending December 31, 2017, shall be reduced each year, as
15 follows, and the applicable value shall be applied to and
16 count toward the utility's achievement of the cumulative
17 persisting annual savings goals set forth in subsection
18 (b-15):

19 (1) 5.8% deemed cumulative persisting annual savings
20 for the year ending December 31, 2018;

21 (2) 5.2% deemed cumulative persisting annual savings
22 for the year ending December 31, 2019;

23 (3) 4.5% deemed cumulative persisting annual savings
24 for the year ending December 31, 2020;

25 (4) 4.0% deemed cumulative persisting annual savings
26 for the year ending December 31, 2021;

1 (5) 3.5% deemed cumulative persisting annual savings
2 for the year ending December 31, 2022;

3 (6) 3.1% deemed cumulative persisting annual savings
4 for the year ending December 31, 2023;

5 (7) 2.8% deemed cumulative persisting annual savings
6 for the year ending December 31, 2024;

7 (8) 2.5% deemed cumulative persisting annual savings
8 for the year ending December 31, 2025;

9 (9) 2.3% deemed cumulative persisting annual savings
10 for the year ending December 31, 2026;

11 (10) 2.1% deemed cumulative persisting annual savings
12 for the year ending December 31, 2027;

13 (11) 1.8% deemed cumulative persisting annual savings
14 for the year ending December 31, 2028;

15 (12) 1.7% deemed cumulative persisting annual savings
16 for the year ending December 31, 2029; and

17 (13) 1.5% deemed cumulative persisting annual savings
18 for the year ending December 31, 2030.

19 (b-15) Beginning in 2018, electric utilities subject to
20 this Section that serve less than 3,000,000 retail customers
21 but more than 500,000 retail customers in the State shall
22 achieve the following cumulative persisting annual savings
23 goals, as modified by subsection (b-20) and subsection (f) of
24 this Section and as compared to the deemed baseline as reduced
25 by the number of MWhs equal to the sum of the annual
26 consumption of customers that have opted out of ~~are exempt~~

1 ~~from~~ subsections (a) through (j) of this Section under
2 paragraph (1) of subsection (1) of this Section as averaged
3 across the calendar years 2014, 2015, and 2016, through the
4 implementation of energy efficiency measures during the
5 applicable year and in prior years, but no earlier than
6 January 1, 2012:

7 (1) 7.4% cumulative persisting annual savings for the
8 year ending December 31, 2018;

9 (2) 8.2% cumulative persisting annual savings for the
10 year ending December 31, 2019;

11 (3) 9.0% cumulative persisting annual savings for the
12 year ending December 31, 2020;

13 (4) 9.8% cumulative persisting annual savings for the
14 year ending December 31, 2021;

15 (5) 10.6% cumulative persisting annual savings for the
16 year ending December 31, 2022;

17 (6) 11.4% cumulative persisting annual savings for the
18 year ending December 31, 2023;

19 (7) 12.2% cumulative persisting annual savings for the
20 year ending December 31, 2024;

21 (8) 13% cumulative persisting annual savings for the
22 year ending December 31, 2025;

23 (9) 13.6% cumulative persisting annual savings for the
24 year ending December 31, 2026;

25 (10) 14.2% cumulative persisting annual savings for
26 the year ending December 31, 2027;

1 (11) 14.8% cumulative persisting annual savings for
2 the year ending December 31, 2028;

3 (12) 15.4% cumulative persisting annual savings for
4 the year ending December 31, 2029; and

5 (13) 16% cumulative persisting annual savings for the
6 year ending December 31, 2030.

7 The difference between the cumulative persisting annual
8 savings goal for the applicable calendar year and the
9 cumulative persisting annual savings goal for the immediately
10 preceding calendar year is 0.8% for the period of January 1,
11 2018 through December 31, 2025 and 0.6% for the period of
12 January 1, 2026 through December 31, 2030.

13 (b-20) Each electric utility subject to this Section may
14 include cost-effective voltage optimization measures in its
15 plans submitted under subsections (f) and (g) of this Section,
16 and the costs incurred by a utility to implement the measures
17 under a Commission-approved plan shall be recovered under the
18 provisions of Article IX or Section 16-108.5 of this Act. For
19 purposes of this Section, the measure life of voltage
20 optimization measures shall be 15 years. The measure life
21 period is independent of the depreciation rate of the voltage
22 optimization assets deployed.

23 Within 270 days after June 1, 2017 (the effective date of
24 Public Act 99-906), an electric utility that serves less than
25 3,000,000 retail customers but more than 500,000 retail
26 customers in the State shall file a plan with the Commission

1 that identifies the cost-effective voltage optimization
2 investment the electric utility plans to undertake through
3 December 31, 2024. The Commission, after notice and hearing,
4 shall approve or approve with modification the plan within 120
5 days after the plan's filing and, in the order approving or
6 approving with modification the plan, the Commission shall
7 adjust the applicable cumulative persisting annual savings
8 goals set forth in subsection (b-15) to reflect any amount of
9 cost-effective energy savings approved by the Commission that
10 is greater than or less than the following cumulative
11 persisting annual savings values attributable to voltage
12 optimization for the applicable year:

13 (1) 0.0% of cumulative persisting annual savings for
14 the year ending December 31, 2018;

15 (2) 0.17% of cumulative persisting annual savings for
16 the year ending December 31, 2019;

17 (3) 0.17% of cumulative persisting annual savings for
18 the year ending December 31, 2020;

19 (4) 0.33% of cumulative persisting annual savings for
20 the year ending December 31, 2021;

21 (5) 0.5% of cumulative persisting annual savings for
22 the year ending December 31, 2022;

23 (6) 0.67% of cumulative persisting annual savings for
24 the year ending December 31, 2023;

25 (7) 0.83% of cumulative persisting annual savings for
26 the year ending December 31, 2024; and

1 (8) 1.0% of cumulative persisting annual savings for
2 the year ending December 31, 2025.

3 (b-25) In the event an electric utility jointly offers an
4 energy efficiency measure or program with a gas utility under
5 plans approved under this Section and Section 8-104 of this
6 Act, the electric utility may continue offering the program,
7 including the gas energy efficiency measures, in the event the
8 gas utility discontinues funding the program. In that event,
9 the energy savings value associated with such other fuels
10 shall be converted to electric energy savings on an equivalent
11 Btu basis for the premises. However, the electric utility
12 shall prioritize programs for low-income residential customers
13 to the extent practicable. An electric utility may recover the
14 costs of offering the gas energy efficiency measures under
15 this subsection (b-25).

16 For those energy efficiency measures or programs that save
17 both electricity and other fuels but are not jointly offered
18 with a gas utility under plans approved under this Section and
19 Section 8-104 or not offered with an affiliated gas utility
20 under paragraph (6) of subsection (f) of Section 8-104 of this
21 Act, the electric utility may count savings of fuels other
22 than electricity toward the achievement of its annual savings
23 goal, and the energy savings value associated with such other
24 fuels shall be converted to electric energy savings on an
25 equivalent Btu basis at the premises.

26 In no event shall more than 10% of each year's applicable

1 annual incremental goal as defined in paragraph (7) of
2 subsection (g) of this Section be met through savings of fuels
3 other than electricity.

4 (c) Electric utilities shall be responsible for overseeing
5 the design, development, and filing of energy efficiency plans
6 with the Commission and may, as part of that implementation,
7 outsource various aspects of program development and
8 implementation. A minimum of 10%, for electric utilities that
9 serve more than 3,000,000 retail customers in the State, and a
10 minimum of 7%, for electric utilities that serve less than
11 3,000,000 retail customers but more than 500,000 retail
12 customers in the State, of the utility's entire portfolio
13 funding level for a given year shall be used to procure
14 cost-effective energy efficiency measures from units of local
15 government, municipal corporations, school districts, public
16 housing, and community college districts, provided that a
17 minimum percentage of available funds shall be used to procure
18 energy efficiency from public housing, which percentage shall
19 be equal to public housing's share of public building energy
20 consumption.

21 The utilities shall also implement energy efficiency
22 measures specifically dedicated to ~~targeted at~~ low-income
23 households, which, for purposes of this Section, shall be
24 defined as households at or below 80% of area median income,
25 and expenditures to implement the measures shall be no less
26 than 25% of the total portfolio budget ~~\$25,000,000~~ per year

1 for electric utilities that serve more than 3,000,000 retail
2 customers in the State and no less than 25% of the total
3 portfolio budget ~~\$8,350,000~~ per year for electric utilities
4 that serve less than 3,000,000 retail customers but more than
5 500,000 retail customers in the State. The 25% budget shall
6 exclude any portfolio-level and research and development
7 budget costs.

8 Each electric utility shall assess opportunities to
9 implement cost-effective energy efficiency measures and
10 programs through a public housing authority or authorities
11 located in its service territory. If such opportunities are
12 identified, the utility shall propose such measures and
13 programs to address the opportunities. Expenditures to address
14 such opportunities shall be credited toward the minimum
15 procurement and expenditure requirements set forth in this
16 subsection (c).

17 Implementation of energy efficiency measures and programs
18 targeted at low-income households should be contracted, when
19 it is practicable, to independent third parties that have
20 demonstrated capabilities to serve such households, with a
21 preference for not-for-profit entities and government agencies
22 that have existing relationships with or experience serving
23 low-income communities in the State.

24 Each electric utility shall develop and implement
25 reporting procedures that address and assist in determining
26 the amount of energy savings that can be applied to the

1 low-income procurement and expenditure requirements set forth
2 in this subsection (c).

3 The electric utilities shall also convene a low-income
4 energy efficiency advisory committee to assist in the design
5 and evaluation of the low-income energy efficiency programs.
6 The committee shall be comprised of the electric utilities
7 subject to the requirements of this Section, the gas utilities
8 subject to the requirements of Section 8-104 of this Act, the
9 utilities' low-income energy efficiency implementation
10 contractors, and representatives of community-based
11 organizations.

12 (d) Notwithstanding any other provision of law to the
13 contrary, a utility providing approved energy efficiency
14 measures and, if applicable, demand-response measures in the
15 State shall be permitted to recover all reasonable and
16 prudently incurred costs of those measures from all retail
17 customers, except as provided in subsection (l) of this
18 Section, as follows, provided that nothing in this subsection
19 (d) permits the double recovery of such costs from customers:

20 (1) The utility may recover its costs through an
21 automatic adjustment clause tariff filed with and approved
22 by the Commission. The tariff shall be established outside
23 the context of a general rate case. Each year the
24 Commission shall initiate a review to reconcile any
25 amounts collected with the actual costs and to determine
26 the required adjustment to the annual tariff factor to

1 match annual expenditures. To enable the financing of the
2 incremental capital expenditures, including regulatory
3 assets, for electric utilities that serve less than
4 3,000,000 retail customers but more than 500,000 retail
5 customers in the State, the utility's actual year-end
6 capital structure that includes a common equity ratio,
7 excluding goodwill, of up to and including 50% of the
8 total capital structure shall be deemed reasonable and
9 used to set rates.

10 (2) A utility may recover its costs through an energy
11 efficiency formula rate approved by the Commission under a
12 filing under subsections (f) and (g) of this Section,
13 which shall specify the cost components that form the
14 basis of the rate charged to customers with sufficient
15 specificity to operate in a standardized manner and be
16 updated annually with transparent information that
17 reflects the utility's actual costs to be recovered during
18 the applicable rate year, which is the period beginning
19 with the first billing day of January and extending
20 through the last billing day of the following December.
21 The energy efficiency formula rate shall be implemented
22 through a tariff filed with the Commission under
23 subsections (f) and (g) of this Section that is consistent
24 with the provisions of this paragraph (2) and that shall
25 be applicable to all delivery services customers. The
26 Commission shall conduct an investigation of the tariff in

1 a manner consistent with the provisions of this paragraph
2 (2), subsections (f) and (g) of this Section, and the
3 provisions of Article IX of this Act to the extent they do
4 not conflict with this paragraph (2). The energy
5 efficiency formula rate approved by the Commission shall
6 remain in effect at the discretion of the utility and
7 shall do the following:

8 (A) Provide for the recovery of the utility's
9 actual costs incurred under this Section that are
10 prudently incurred and reasonable in amount consistent
11 with Commission practice and law. The sole fact that a
12 cost differs from that incurred in a prior calendar
13 year or that an investment is different from that made
14 in a prior calendar year shall not imply the
15 imprudence or unreasonableness of that cost or
16 investment.

17 (B) Reflect the utility's actual year-end capital
18 structure for the applicable calendar year, excluding
19 goodwill, subject to a determination of prudence and
20 reasonableness consistent with Commission practice and
21 law. To enable the financing of the incremental
22 capital expenditures, including regulatory assets, for
23 electric utilities that serve less than 3,000,000
24 retail customers but more than 500,000 retail
25 customers in the State, a participating electric
26 utility's actual year-end capital structure that

1 includes a common equity ratio, excluding goodwill, of
2 up to and including 50% of the total capital structure
3 shall be deemed reasonable and used to set rates.

4 (C) Include a cost of equity, which shall be
5 calculated as the sum of the following:

6 (i) the average for the applicable calendar
7 year of the monthly average yields of 30-year U.S.
8 Treasury bonds published by the Board of Governors
9 of the Federal Reserve System in its weekly H.15
10 Statistical Release or successor publication; and

11 (ii) 580 basis points.

12 At such time as the Board of Governors of the
13 Federal Reserve System ceases to include the monthly
14 average yields of 30-year U.S. Treasury bonds in its
15 weekly H.15 Statistical Release or successor
16 publication, the monthly average yields of the U.S.
17 Treasury bonds then having the longest duration
18 published by the Board of Governors in its weekly H.15
19 Statistical Release or successor publication shall
20 instead be used for purposes of this paragraph (2).

21 (D) Permit and set forth protocols, subject to a
22 determination of prudence and reasonableness
23 consistent with Commission practice and law, for the
24 following:

25 (i) recovery of incentive compensation expense
26 that is based on the achievement of operational

1 metrics, including metrics related to budget
2 controls, outage duration and frequency, safety,
3 customer service, efficiency and productivity, and
4 environmental compliance; however, this protocol
5 shall not apply if such expense related to costs
6 incurred under this Section is recovered under
7 Article IX or Section 16-108.5 of this Act;
8 incentive compensation expense that is based on
9 net income or an affiliate's earnings per share
10 shall not be recoverable under the energy
11 efficiency formula rate;

12 (ii) recovery of pension and other
13 post-employment benefits expense, provided that
14 such costs are supported by an actuarial study;
15 however, this protocol shall not apply if such
16 expense related to costs incurred under this
17 Section is recovered under Article IX or Section
18 16-108.5 of this Act;

19 (iii) recovery of existing regulatory assets
20 over the periods previously authorized by the
21 Commission;

22 (iv) as described in subsection (e),
23 amortization of costs incurred under this Section;
24 and

25 (v) projected, weather normalized billing
26 determinants for the applicable rate year.

1 (E) Provide for an annual reconciliation, as
2 described in paragraph (3) of this subsection (d),
3 less any deferred taxes related to the reconciliation,
4 with interest at an annual rate of return equal to the
5 utility's weighted average cost of capital, including
6 a revenue conversion factor calculated to recover or
7 refund all additional income taxes that may be payable
8 or receivable as a result of that return, of the energy
9 efficiency revenue requirement reflected in rates for
10 each calendar year, beginning with the calendar year
11 in which the utility files its energy efficiency
12 formula rate tariff under this paragraph (2), with
13 what the revenue requirement would have been had the
14 actual cost information for the applicable calendar
15 year been available at the filing date.

16 The utility shall file, together with its tariff, the
17 projected costs to be incurred by the utility during the
18 rate year under the utility's multi-year plan approved
19 under subsections (f) and (g) of this Section, including,
20 but not limited to, the projected capital investment costs
21 and projected regulatory asset balances with
22 correspondingly updated depreciation and amortization
23 reserves and expense, that shall populate the energy
24 efficiency formula rate and set the initial rates under
25 the formula.

26 The Commission shall review the proposed tariff in

1 conjunction with its review of a proposed multi-year plan,
2 as specified in paragraph (5) of subsection (g) of this
3 Section. The review shall be based on the same evidentiary
4 standards, including, but not limited to, those concerning
5 the prudence and reasonableness of the costs incurred by
6 the utility, the Commission applies in a hearing to review
7 a filing for a general increase in rates under Article IX
8 of this Act. The initial rates shall take effect beginning
9 with the January monthly billing period following the
10 Commission's approval.

11 The tariff's rate design and cost allocation across
12 customer classes shall be consistent with the utility's
13 automatic adjustment clause tariff in effect on June 1,
14 2017 (the effective date of Public Act 99-906); however,
15 the Commission may revise the tariff's rate design and
16 cost allocation in subsequent proceedings under paragraph
17 (3) of this subsection (d).

18 If the energy efficiency formula rate is terminated,
19 the then current rates shall remain in effect until such
20 time as the energy efficiency costs are incorporated into
21 new rates that are set under this subsection (d) or
22 Article IX of this Act, subject to retroactive rate
23 adjustment, with interest, to reconcile rates charged with
24 actual costs.

25 (3) The provisions of this paragraph (3) shall only
26 apply to an electric utility that has elected to file an

1 energy efficiency formula rate under paragraph (2) of this
2 subsection (d). Subsequent to the Commission's issuance of
3 an order approving the utility's energy efficiency formula
4 rate structure and protocols, and initial rates under
5 paragraph (2) of this subsection (d), the utility shall
6 file, on or before June 1 of each year, with the Chief
7 Clerk of the Commission its updated cost inputs to the
8 energy efficiency formula rate for the applicable rate
9 year and the corresponding new charges, as well as the
10 information described in paragraph (9) of subsection (g)
11 of this Section. Each such filing shall conform to the
12 following requirements and include the following
13 information:

14 (A) The inputs to the energy efficiency formula
15 rate for the applicable rate year shall be based on the
16 projected costs to be incurred by the utility during
17 the rate year under the utility's multi-year plan
18 approved under subsections (f) and (g) of this
19 Section, including, but not limited to, projected
20 capital investment costs and projected regulatory
21 asset balances with correspondingly updated
22 depreciation and amortization reserves and expense.
23 The filing shall also include a reconciliation of the
24 energy efficiency revenue requirement that was in
25 effect for the prior rate year (as set by the cost
26 inputs for the prior rate year) with the actual

1 revenue requirement for the prior rate year
2 (determined using a year-end rate base) that uses
3 amounts reflected in the applicable FERC Form 1 that
4 reports the actual costs for the prior rate year. Any
5 over-collection or under-collection indicated by such
6 reconciliation shall be reflected as a credit against,
7 or recovered as an additional charge to, respectively,
8 with interest calculated at a rate equal to the
9 utility's weighted average cost of capital approved by
10 the Commission for the prior rate year, the charges
11 for the applicable rate year. Such over-collection or
12 under-collection shall be adjusted to remove any
13 deferred taxes related to the reconciliation, for
14 purposes of calculating interest at an annual rate of
15 return equal to the utility's weighted average cost of
16 capital approved by the Commission for the prior rate
17 year, including a revenue conversion factor calculated
18 to recover or refund all additional income taxes that
19 may be payable or receivable as a result of that
20 return. Each reconciliation shall be certified by the
21 participating utility in the same manner that FERC
22 Form 1 is certified. The filing shall also include the
23 charge or credit, if any, resulting from the
24 calculation required by subparagraph (E) of paragraph
25 (2) of this subsection (d).

26 Notwithstanding any other provision of law to the

1 contrary, the intent of the reconciliation is to
2 ultimately reconcile both the revenue requirement
3 reflected in rates for each calendar year, beginning
4 with the calendar year in which the utility files its
5 energy efficiency formula rate tariff under paragraph
6 (2) of this subsection (d), with what the revenue
7 requirement determined using a year-end rate base for
8 the applicable calendar year would have been had the
9 actual cost information for the applicable calendar
10 year been available at the filing date.

11 For purposes of this Section, "FERC Form 1" means
12 the Annual Report of Major Electric Utilities,
13 Licensees and Others that electric utilities are
14 required to file with the Federal Energy Regulatory
15 Commission under the Federal Power Act, Sections 3,
16 4(a), 304 and 209, modified as necessary to be
17 consistent with 83 Ill. Admin. Code Part 415 as of May
18 1, 2011. Nothing in this Section is intended to allow
19 costs that are not otherwise recoverable to be
20 recoverable by virtue of inclusion in FERC Form 1.

21 (B) The new charges shall take effect beginning on
22 the first billing day of the following January billing
23 period and remain in effect through the last billing
24 day of the next December billing period regardless of
25 whether the Commission enters upon a hearing under
26 this paragraph (3).

1 (C) The filing shall include relevant and
2 necessary data and documentation for the applicable
3 rate year. Normalization adjustments shall not be
4 required.

5 Within 45 days after the utility files its annual
6 update of cost inputs to the energy efficiency formula
7 rate, the Commission shall with reasonable notice,
8 initiate a proceeding concerning whether the projected
9 costs to be incurred by the utility and recovered during
10 the applicable rate year, and that are reflected in the
11 inputs to the energy efficiency formula rate, are
12 consistent with the utility's approved multi-year plan
13 under subsections (f) and (g) of this Section and whether
14 the costs incurred by the utility during the prior rate
15 year were prudent and reasonable. The Commission shall
16 also have the authority to investigate the information and
17 data described in paragraph (9) of subsection (g) of this
18 Section, including the proposed adjustment to the
19 utility's return on equity component of its weighted
20 average cost of capital. During the course of the
21 proceeding, each objection shall be stated with
22 particularity and evidence provided in support thereof,
23 after which the utility shall have the opportunity to
24 rebut the evidence. Discovery shall be allowed consistent
25 with the Commission's Rules of Practice, which Rules of
26 Practice shall be enforced by the Commission or the

1 assigned administrative law judge. The Commission shall
2 apply the same evidentiary standards, including, but not
3 limited to, those concerning the prudence and
4 reasonableness of the costs incurred by the utility,
5 during the proceeding as it would apply in a proceeding to
6 review a filing for a general increase in rates under
7 Article IX of this Act. The Commission shall not, however,
8 have the authority in a proceeding under this paragraph
9 (3) to consider or order any changes to the structure or
10 protocols of the energy efficiency formula rate approved
11 under paragraph (2) of this subsection (d). In a
12 proceeding under this paragraph (3), the Commission shall
13 enter its order no later than the earlier of 195 days after
14 the utility's filing of its annual update of cost inputs
15 to the energy efficiency formula rate or December 15. The
16 utility's proposed return on equity calculation, as
17 described in paragraphs (7) through (9) of subsection (g)
18 of this Section, shall be deemed the final, approved
19 calculation on December 15 of the year in which it is filed
20 unless the Commission enters an order on or before
21 December 15, after notice and hearing, that modifies such
22 calculation consistent with this Section. The Commission's
23 determinations of the prudence and reasonableness of the
24 costs incurred, and determination of such return on equity
25 calculation, for the applicable calendar year shall be
26 final upon entry of the Commission's order and shall not

1 be subject to reopening, reexamination, or collateral
2 attack in any other Commission proceeding, case, docket,
3 order, rule, or regulation; however, nothing in this
4 paragraph (3) shall prohibit a party from petitioning the
5 Commission to rehear or appeal to the courts the order
6 under the provisions of this Act.

7 (e) Beginning on June 1, 2017 (the effective date of
8 Public Act 99-906), a utility subject to the requirements of
9 this Section may elect to defer, as a regulatory asset, up to
10 the full amount of its expenditures incurred under this
11 Section for each annual period, including, but not limited to,
12 any expenditures incurred above the funding level set by
13 subsection (f) of this Section for a given year. The total
14 expenditures deferred as a regulatory asset in a given year
15 shall be amortized and recovered over a period that is equal to
16 the weighted average of the energy efficiency measure lives
17 implemented for that year that are reflected in the regulatory
18 asset. The unamortized balance shall be recognized as of
19 December 31 for a given year. The utility shall also earn a
20 return on the total of the unamortized balances of all of the
21 energy efficiency regulatory assets, less any deferred taxes
22 related to those unamortized balances, at an annual rate equal
23 to the utility's weighted average cost of capital that
24 includes, based on a year-end capital structure, the utility's
25 actual cost of debt for the applicable calendar year and a cost
26 of equity, which shall be calculated as the sum of the (i) the

1 average for the applicable calendar year of the monthly
2 average yields of 30-year U.S. Treasury bonds published by the
3 Board of Governors of the Federal Reserve System in its weekly
4 H.15 Statistical Release or successor publication; and (ii)
5 580 basis points, including a revenue conversion factor
6 calculated to recover or refund all additional income taxes
7 that may be payable or receivable as a result of that return.
8 Capital investment costs shall be depreciated and recovered
9 over their useful lives consistent with generally accepted
10 accounting principles. The weighted average cost of capital
11 shall be applied to the capital investment cost balance, less
12 any accumulated depreciation and accumulated deferred income
13 taxes, as of December 31 for a given year.

14 When an electric utility creates a regulatory asset under
15 the provisions of this Section, the costs are recovered over a
16 period during which customers also receive a benefit which is
17 in the public interest. Accordingly, it is the intent of the
18 General Assembly that an electric utility that elects to
19 create a regulatory asset under the provisions of this Section
20 shall recover all of the associated costs as set forth in this
21 Section. After the Commission has approved the prudence and
22 reasonableness of the costs that comprise the regulatory
23 asset, the electric utility shall be permitted to recover all
24 such costs, and the value and recoverability through rates of
25 the associated regulatory asset shall not be limited, altered,
26 impaired, or reduced.

1 (f) Beginning in 2017, each electric utility shall file an
2 energy efficiency plan with the Commission to meet the energy
3 efficiency standards for the next applicable multi-year period
4 beginning January 1 of the year following the filing,
5 according to the schedule set forth in paragraphs (1) through
6 (3) of this subsection (f). If a utility does not file such a
7 plan on or before the applicable filing deadline for the plan,
8 it shall face a penalty of \$100,000 per day until the plan is
9 filed.

10 (1) No later than 30 days after June 1, 2017 (the
11 effective date of Public Act 99-906), each electric
12 utility shall file a 4-year energy efficiency plan
13 commencing on January 1, 2018 that is designed to achieve
14 the cumulative persisting annual savings goals specified
15 in paragraphs (1) through (4) of subsection (b-5) of this
16 Section or in paragraphs (1) through (4) of subsection
17 (b-15) of this Section, as applicable, through
18 implementation of energy efficiency measures; however, the
19 goals may be reduced if the utility's expenditures are
20 limited pursuant to subsection (m) of this Section or, for
21 a utility that serves less than 3,000,000 retail
22 customers, if each of the following conditions are met:
23 (A) the plan's analysis and forecasts of the utility's
24 ability to acquire energy savings demonstrate that
25 achievement of such goals is not cost effective; and (B)
26 the amount of energy savings achieved by the utility as

1 determined by the independent evaluator for the most
2 recent year for which savings have been evaluated
3 preceding the plan filing was less than the average annual
4 amount of savings required to achieve the goals for the
5 applicable 4-year plan period. Except as provided in
6 subsection (m) of this Section, annual increases in
7 cumulative persisting annual savings goals during the
8 applicable 4-year plan period shall not be reduced to
9 amounts that are less than the maximum amount of
10 cumulative persisting annual savings that is forecast to
11 be cost-effectively achievable during the 4-year plan
12 period. The Commission shall review any proposed goal
13 reduction as part of its review and approval of the
14 utility's proposed plan.

15 (2) No later than March 1, 2021, each electric utility
16 shall file a 4-year energy efficiency plan commencing on
17 January 1, 2022 that is designed to achieve the cumulative
18 persisting annual savings goals specified in paragraphs
19 (5) through (8) of subsection (b-5) of this Section or in
20 paragraphs (5) through (8) of subsection (b-15) of this
21 Section, as applicable, through implementation of energy
22 efficiency measures; however, the goals may be reduced if
23 the utility's expenditures are limited pursuant to
24 subsection (m) of this Section or, each of the following
25 conditions are met: (A) the plan's analysis and forecasts
26 of the utility's ability to acquire energy savings

1 demonstrate that achievement of such goals is not cost
2 effective; and (B) the amount of energy savings achieved
3 by the utility as determined by the independent evaluator
4 for the most recent year for which savings have been
5 evaluated preceding the plan filing was less than the
6 average annual amount of savings required to achieve the
7 goals for the applicable 4-year plan period. Except as
8 provided in subsection (m) of this Section, annual
9 increases in cumulative persisting annual savings goals
10 during the applicable 4-year plan period shall not be
11 reduced to amounts that are less than the maximum amount
12 of cumulative persisting annual savings that is forecast
13 to be cost-effectively achievable during the 4-year plan
14 period. The Commission shall review any proposed goal
15 reduction as part of its review and approval of the
16 utility's proposed plan.

17 (3) No later than March 1, 2025, each electric utility
18 shall file a 5-year energy efficiency plan commencing on
19 January 1, 2026 that is designed to achieve the cumulative
20 persisting annual savings goals specified in paragraphs
21 (9) through (13) of subsection (b-5) of this Section or in
22 paragraphs (9) through (13) of subsection (b-15) of this
23 Section, as applicable, through implementation of energy
24 efficiency measures; however, the goals may be reduced if
25 the utility's expenditures are limited pursuant to
26 subsection (m) of this Section or, each of the following

1 conditions are met: (A) the plan's analysis and forecasts
2 of the utility's ability to acquire energy savings
3 demonstrate that achievement of such goals is not cost
4 effective; and (B) the amount of energy savings achieved
5 by the utility as determined by the independent evaluator
6 for the most recent year for which savings have been
7 evaluated preceding the plan filing was less than the
8 average annual amount of savings required to achieve the
9 goals for the applicable 5-year plan period. Except as
10 provided in subsection (m) of this Section, annual
11 increases in cumulative persisting annual savings goals
12 during the applicable 5-year plan period shall not be
13 reduced to amounts that are less than the maximum amount
14 of cumulative persisting annual savings that is forecast
15 to be cost-effectively achievable during the 5-year plan
16 period. The Commission shall review any proposed goal
17 reduction as part of its review and approval of the
18 utility's proposed plan.

19 Each utility's plan shall set forth the utility's
20 proposals to meet the energy efficiency standards identified
21 in subsection (b-5) or (b-15), as applicable and as such
22 standards may have been modified under this subsection (f),
23 taking into account the unique circumstances of the utility's
24 service territory. For those plans commencing on January 1,
25 2018, the Commission shall seek public comment on the
26 utility's plan and shall issue an order approving or

1 disapproving each plan no later than 105 days after June 1,
2 2017 (the effective date of Public Act 99-906). For those
3 plans commencing after December 31, 2021, the Commission shall
4 seek public comment on the utility's plan and shall issue an
5 order approving or disapproving each plan within 6 months
6 after its submission. If the Commission disapproves a plan,
7 the Commission shall, within 30 days, describe in detail the
8 reasons for the disapproval and describe a path by which the
9 utility may file a revised draft of the plan to address the
10 Commission's concerns satisfactorily. If the utility does not
11 refile with the Commission within 60 days, the utility shall
12 be subject to penalties at a rate of \$100,000 per day until the
13 plan is filed. This process shall continue, and penalties
14 shall accrue, until the utility has successfully filed a
15 portfolio of energy efficiency and demand-response measures.
16 Penalties shall be deposited into the Energy Efficiency Trust
17 Fund.

18 (g) In submitting proposed plans and funding levels under
19 subsection (f) of this Section to meet the savings goals
20 identified in subsection (b-5) or (b-15) of this Section, as
21 applicable, the utility shall:

22 (1) Demonstrate that its proposed energy efficiency
23 measures will achieve the applicable requirements that are
24 identified in subsection (b-5) or (b-15) of this Section,
25 as modified by subsection (f) of this Section.

26 (2) Present specific proposals to implement new

1 building and appliance standards that have been placed
2 into effect.

3 (3) Demonstrate that its overall portfolio of
4 measures, not including low-income programs described in
5 subsection (c) of this Section, is cost-effective using
6 the total resource cost test or complies with paragraphs
7 (1) through (3) of subsection (f) of this Section and
8 represents a diverse cross-section of opportunities for
9 customers of all rate classes, other than those customers
10 described in subsection (1) of this Section, to
11 participate in the programs. Individual measures need not
12 be cost effective.

13 (4) Present a third-party energy efficiency
14 implementation program subject to the following
15 requirements:

16 (A) beginning with the year commencing January 1,
17 2019, electric utilities that serve more than
18 3,000,000 retail customers in the State shall fund
19 third-party energy efficiency programs in an amount
20 that is no less than \$25,000,000 per year, and
21 electric utilities that serve less than 3,000,000
22 retail customers but more than 500,000 retail
23 customers in the State shall fund third-party energy
24 efficiency programs in an amount that is no less than
25 \$8,350,000 per year;

26 (B) during 2018, the utility shall conduct a

1 solicitation process for purposes of requesting
2 proposals from third-party vendors for those
3 third-party energy efficiency programs to be offered
4 during one or more of the years commencing January 1,
5 2019, January 1, 2020, and January 1, 2021; for those
6 multi-year plans commencing on January 1, 2022 and
7 January 1, 2026, the utility shall conduct a
8 solicitation process during 2021 and 2025,
9 respectively, for purposes of requesting proposals
10 from third-party vendors for those third-party energy
11 efficiency programs to be offered during one or more
12 years of the respective multi-year plan period; for
13 each solicitation process, the utility shall identify
14 the sector, technology, or geographical area for which
15 it is seeking requests for proposals;

16 (C) the utility shall propose the bidder
17 qualifications, performance measurement process, and
18 contract structure, which must include a performance
19 payment mechanism and general terms and conditions;
20 the proposed qualifications, process, and structure
21 shall be subject to Commission approval; and

22 (D) the utility shall retain an independent third
23 party to score the proposals received through the
24 solicitation process described in this paragraph (4),
25 rank them according to their cost per lifetime
26 kilowatt-hours saved, and assemble the portfolio of

1 third-party programs.

2 The electric utility shall recover all costs
3 associated with Commission-approved, third-party
4 administered programs regardless of the success of those
5 programs.

6 (4.5) Implement cost-effective demand-response
7 measures to reduce peak demand by 0.1% over the prior year
8 for eligible retail customers, as defined in Section
9 16-111.5 of this Act, and for customers that elect hourly
10 service from the utility pursuant to Section 16-107 of
11 this Act, provided those customers have not been declared
12 competitive. This requirement continues until December 31,
13 2026.

14 (5) Include a proposed or revised cost-recovery tariff
15 mechanism, as provided for under subsection (d) of this
16 Section, to fund the proposed energy efficiency and
17 demand-response measures and to ensure the recovery of the
18 prudently and reasonably incurred costs of
19 Commission-approved programs.

20 (6) Provide for an annual independent evaluation of
21 the performance of the cost-effectiveness of the utility's
22 portfolio of measures, as well as a full review of the
23 multi-year plan results of the broader net program impacts
24 and, to the extent practical, for adjustment of the
25 measures on a going-forward basis as a result of the
26 evaluations. The resources dedicated to evaluation shall

1 not exceed 3% of portfolio resources in any given year.

2 (7) For electric utilities that serve more than
3 3,000,000 retail customers in the State:

4 (A) Through December 31, 2025, provide for an
5 adjustment to the return on equity component of the
6 utility's weighted average cost of capital calculated
7 under subsection (d) of this Section:

8 (i) If the independent evaluator determines
9 that the utility achieved a cumulative persisting
10 annual savings that is less than the applicable
11 annual incremental goal, then the return on equity
12 component shall be reduced by a maximum of 200
13 basis points in the event that the utility
14 achieved no more than 75% of such goal. If the
15 utility achieved more than 75% of the applicable
16 annual incremental goal but less than 100% of such
17 goal, then the return on equity component shall be
18 reduced by 8 basis points for each percent by
19 which the utility failed to achieve the goal.

20 (ii) If the independent evaluator determines
21 that the utility achieved a cumulative persisting
22 annual savings that is more than the applicable
23 annual incremental goal, then the return on equity
24 component shall be increased by a maximum of 200
25 basis points in the event that the utility
26 achieved at least 125% of such goal. If the

1 utility achieved more than 100% of the applicable
2 annual incremental goal but less than 125% of such
3 goal, then the return on equity component shall be
4 increased by 8 basis points for each percent by
5 which the utility achieved above the goal. If the
6 applicable annual incremental goal was reduced
7 under paragraphs (1) or (2) of subsection (f) of
8 this Section, then the following adjustments shall
9 be made to the calculations described in this item
10 (ii):

11 (aa) the calculation for determining
12 achievement that is at least 125% of the
13 applicable annual incremental goal shall use
14 the unreduced applicable annual incremental
15 goal to set the value; and

16 (bb) the calculation for determining
17 achievement that is less than 125% but more
18 than 100% of the applicable annual incremental
19 goal shall use the reduced applicable annual
20 incremental goal to set the value for 100%
21 achievement of the goal and shall use the
22 unreduced goal to set the value for 125%
23 achievement. The 8 basis point value shall
24 also be modified, as necessary, so that the
25 200 basis points are evenly apportioned among
26 each percentage point value between 100% and

1 125% achievement.

2 (B) For the period January 1, 2026 through
3 December 31, 2030, provide for an adjustment to the
4 return on equity component of the utility's weighted
5 average cost of capital calculated under subsection
6 (d) of this Section:

7 (i) If the independent evaluator determines
8 that the utility achieved a cumulative persisting
9 annual savings that is less than the applicable
10 annual incremental goal, then the return on equity
11 component shall be reduced by a maximum of 200
12 basis points in the event that the utility
13 achieved no more than 66% of such goal. If the
14 utility achieved more than 66% of the applicable
15 annual incremental goal but less than 100% of such
16 goal, then the return on equity component shall be
17 reduced by 6 basis points for each percent by
18 which the utility failed to achieve the goal.

19 (ii) If the independent evaluator determines
20 that the utility achieved a cumulative persisting
21 annual savings that is more than the applicable
22 annual incremental goal, then the return on equity
23 component shall be increased by a maximum of 200
24 basis points in the event that the utility
25 achieved at least 134% of such goal. If the
26 utility achieved more than 100% of the applicable

1 annual incremental goal but less than 134% of such
2 goal, then the return on equity component shall be
3 increased by 6 basis points for each percent by
4 which the utility achieved above the goal. If the
5 applicable annual incremental goal was reduced
6 under paragraph (3) of subsection (f) of this
7 Section, then the following adjustments shall be
8 made to the calculations described in this item
9 (ii):

10 (aa) the calculation for determining
11 achievement that is at least 134% of the
12 applicable annual incremental goal shall use
13 the unreduced applicable annual incremental
14 goal to set the value; and

15 (bb) the calculation for determining
16 achievement that is less than 134% but more
17 than 100% of the applicable annual incremental
18 goal shall use the reduced applicable annual
19 incremental goal to set the value for 100%
20 achievement of the goal and shall use the
21 unreduced goal to set the value for 134%
22 achievement. The 6 basis point value shall
23 also be modified, as necessary, so that the
24 200 basis points are evenly apportioned among
25 each percentage point value between 100% and
26 134% achievement.

1 (7.5) For purposes of this Section, the term
2 "applicable annual incremental goal" means the difference
3 between the cumulative persisting annual savings goal for
4 the calendar year that is the subject of the independent
5 evaluator's determination and the cumulative persisting
6 annual savings goal for the immediately preceding calendar
7 year, as such goals are defined in subsections (b-5) and
8 (b-15) of this Section and as these goals may have been
9 modified as provided for under subsection (b-20) and
10 paragraphs (1) through (3) of subsection (f) of this
11 Section. Under subsections (b), (b-5), (b-10), and (b-15)
12 of this Section, a utility must first replace energy
13 savings from measures that have reached the end of their
14 measure lives and would otherwise have to be replaced to
15 meet the applicable savings goals identified in subsection
16 (b-5) or (b-15) of this Section before any progress
17 towards achievement of its applicable annual incremental
18 goal may be counted. Notwithstanding anything else set
19 forth in this Section, the difference between the actual
20 annual incremental savings achieved in any given year,
21 including the replacement of energy savings from measures
22 that have expired, and the applicable annual incremental
23 goal shall not affect adjustments to the return on equity
24 for subsequent calendar years under this subsection (g).

25 (8) For electric utilities that serve less than
26 3,000,000 retail customers but more than 500,000 retail

1 customers in the State:

2 (A) Through December 31, 2025, the applicable
3 annual incremental goal shall be compared to the
4 annual incremental savings as determined by the
5 independent evaluator.

6 (i) The return on equity component shall be
7 reduced by 8 basis points for each percent by
8 which the utility did not achieve 84.4% of the
9 applicable annual incremental goal.

10 (ii) The return on equity component shall be
11 increased by 8 basis points for each percent by
12 which the utility exceeded 100% of the applicable
13 annual incremental goal.

14 (iii) The return on equity component shall not
15 be increased or decreased if the annual
16 incremental savings as determined by the
17 independent evaluator is greater than 84.4% of the
18 applicable annual incremental goal and less than
19 100% of the applicable annual incremental goal.

20 (iv) The return on equity component shall not
21 be increased or decreased by an amount greater
22 than 200 basis points pursuant to this
23 subparagraph (A).

24 (B) For the period of January 1, 2026 through
25 December 31, 2030, the applicable annual incremental
26 goal shall be compared to the annual incremental

1 savings as determined by the independent evaluator.

2 (i) The return on equity component shall be
3 reduced by 6 basis points for each percent by
4 which the utility did not achieve 100% of the
5 applicable annual incremental goal.

6 (ii) The return on equity component shall be
7 increased by 6 basis points for each percent by
8 which the utility exceeded 100% of the applicable
9 annual incremental goal.

10 (iii) The return on equity component shall not
11 be increased or decreased by an amount greater
12 than 200 basis points pursuant to this
13 subparagraph (B).

14 (C) If the applicable annual incremental goal was
15 reduced under paragraphs (1), (2) or (3) of subsection
16 (f) of this Section, then the following adjustments
17 shall be made to the calculations described in
18 subparagraphs (A) and (B) of this paragraph (8):

19 (i) The calculation for determining
20 achievement that is at least 125% or 134%, as
21 applicable, of the applicable annual incremental
22 goal shall use the unreduced applicable annual
23 incremental goal to set the value.

24 (ii) For the period through December 31, 2025,
25 the calculation for determining achievement that
26 is less than 125% but more than 100% of the

1 applicable annual incremental goal shall use the
2 reduced applicable annual incremental goal to set
3 the value for 100% achievement of the goal and
4 shall use the unreduced goal to set the value for
5 125% achievement. The 8 basis point value shall
6 also be modified, as necessary, so that the 200
7 basis points are evenly apportioned among each
8 percentage point value between 100% and 125%
9 achievement.

10 (iii) For the period of January 1, 2026
11 through December 31, 2030, the calculation for
12 determining achievement that is less than 134% but
13 more than 100% of the applicable annual
14 incremental goal shall use the reduced applicable
15 annual incremental goal to set the value for 100%
16 achievement of the goal and shall use the
17 unreduced goal to set the value for 125%
18 achievement. The 6 basis point value shall also be
19 modified, as necessary, so that the 200 basis
20 points are evenly apportioned among each
21 percentage point value between 100% and 134%
22 achievement.

23 (9) The utility shall submit the energy savings data
24 to the independent evaluator no later than 30 days after
25 the close of the plan year. The independent evaluator
26 shall determine the cumulative persisting annual savings

1 for a given plan year no later than 120 days after the
2 close of the plan year. The utility shall submit an
3 informational filing to the Commission no later than 160
4 days after the close of the plan year that attaches the
5 independent evaluator's final report identifying the
6 cumulative persisting annual savings for the year and
7 calculates, under paragraph (7) or (8) of this subsection
8 (g), as applicable, any resulting change to the utility's
9 return on equity component of the weighted average cost of
10 capital applicable to the next plan year beginning with
11 the January monthly billing period and extending through
12 the December monthly billing period. However, if the
13 utility recovers the costs incurred under this Section
14 under paragraphs (2) and (3) of subsection (d) of this
15 Section, then the utility shall not be required to submit
16 such informational filing, and shall instead submit the
17 information that would otherwise be included in the
18 informational filing as part of its filing under paragraph
19 (3) of such subsection (d) that is due on or before June 1
20 of each year.

21 For those utilities that must submit the informational
22 filing, the Commission may, on its own motion or by
23 petition, initiate an investigation of such filing,
24 provided, however, that the utility's proposed return on
25 equity calculation shall be deemed the final, approved
26 calculation on December 15 of the year in which it is filed

1 unless the Commission enters an order on or before
2 December 15, after notice and hearing, that modifies such
3 calculation consistent with this Section.

4 The adjustments to the return on equity component
5 described in paragraphs (7) and (8) of this subsection (g)
6 shall be applied as described in such paragraphs through a
7 separate tariff mechanism, which shall be filed by the
8 utility under subsections (f) and (g) of this Section.

9 (h) No more than 6% of energy efficiency and
10 demand-response program revenue may be allocated for research,
11 development, or pilot deployment of new equipment or measures.

12 (i) When practicable, electric utilities shall incorporate
13 advanced metering infrastructure data into the planning,
14 implementation, and evaluation of energy efficiency measures
15 and programs, subject to the data privacy and confidentiality
16 protections of applicable law.

17 (j) The independent evaluator shall follow the guidelines
18 and use the savings set forth in Commission-approved energy
19 efficiency policy manuals and technical reference manuals, as
20 each may be updated from time to time. Until such time as
21 measure life values for energy efficiency measures implemented
22 for low-income households under subsection (c) of this Section
23 are incorporated into such Commission-approved manuals, the
24 low-income measures shall have the same measure life values
25 that are established for same measures implemented in
26 households that are not low-income households.

1 (k) Notwithstanding any provision of law to the contrary,
2 an electric utility subject to the requirements of this
3 Section may file a tariff cancelling an automatic adjustment
4 clause tariff in effect under this Section or Section 8-103,
5 which shall take effect no later than one business day after
6 the date such tariff is filed. Thereafter, the utility shall
7 be authorized to defer and recover its expenditures incurred
8 under this Section through a new tariff authorized under
9 subsection (d) of this Section or in the utility's next rate
10 case under Article IX or Section 16-108.5 of this Act, with
11 interest at an annual rate equal to the utility's weighted
12 average cost of capital as approved by the Commission in such
13 case. If the utility elects to file a new tariff under
14 subsection (d) of this Section, the utility may file the
15 tariff within 10 days after June 1, 2017 (the effective date of
16 Public Act 99-906), and the cost inputs to such tariff shall be
17 based on the projected costs to be incurred by the utility
18 during the calendar year in which the new tariff is filed and
19 that were not recovered under the tariff that was cancelled as
20 provided for in this subsection. Such costs shall include
21 those incurred or to be incurred by the utility under its
22 multi-year plan approved under subsections (f) and (g) of this
23 Section, including, but not limited to, projected capital
24 investment costs and projected regulatory asset balances with
25 correspondingly updated depreciation and amortization reserves
26 and expense. The Commission shall, after notice and hearing,

1 approve, or approve with modification, such tariff and cost
2 inputs no later than 75 days after the utility filed the
3 tariff, provided that such approval, or approval with
4 modification, shall be consistent with the provisions of this
5 Section to the extent they do not conflict with this
6 subsection (k). The tariff approved by the Commission shall
7 take effect no later than 5 days after the Commission enters
8 its order approving the tariff.

9 No later than 60 days after the effective date of the
10 tariff cancelling the utility's automatic adjustment clause
11 tariff, the utility shall file a reconciliation that
12 reconciles the moneys collected under its automatic adjustment
13 clause tariff with the costs incurred during the period
14 beginning June 1, 2016 and ending on the date that the electric
15 utility's automatic adjustment clause tariff was cancelled. In
16 the event the reconciliation reflects an under-collection, the
17 utility shall recover the costs as specified in this
18 subsection (k). If the reconciliation reflects an
19 over-collection, the utility shall apply the amount of such
20 over-collection as a one-time credit to retail customers'
21 bills.

22 (l) For the calendar years covered by a multi-year plan
23 commencing after December 31, 2017, subsections (a) through
24 (j) of this Section do not apply to eligible large private
25 energy customers that have chosen to opt out of multi-year
26 plans consistent with this subsection.

1 (1) For purposes of this subsection, an "eligible
2 large private energy customer" is defined as any retail
3 customers, except for federal, State, municipal and other
4 public customers, of an electric utility that serves more
5 than 3,000,000 retail customers, except for federal,
6 State, municipal and other public customers, in the State
7 and whose total highest 30 minute demand was more than
8 10,000 kilowatts, or any retail customers of an electric
9 utility that serves less than 3,000,000 retail customers
10 but more than 500,000 retail customers in the State and
11 whose total highest 15 minute demand was more than 10,000
12 kilowatts. For purposes of this subsection (1), "retail
13 customer" has the meaning set forth in Section 16-102 of
14 this Act. A determination of whether this subsection is
15 applicable to a customer shall be made for each multi-year
16 plan beginning after December 31, 2017. The criteria for
17 determining whether this subsection (1) is applicable to a
18 retail customer shall be based on the 12 consecutive
19 billing periods prior to the start of the first year of
20 each such multi-year plan.

21 (2) The Commission shall prescribe the form for notice
22 required for opting out of energy efficiency programs. The
23 notice must be submitted to the retail utility 12 months
24 before the next energy efficiency planning cycle and shall
25 include all of the following:

26 (A) A statement indicating that the customer has

1 elected to opt out;

2 (B) The account number for the customer account to
3 which the opt out shall apply;

4 (C) The mailing address associated with the
5 customer account identified under subparagraph (B);

6 (D) An American Society of Heating, Refrigerating,
7 and Air-Conditioning Engineers (ASHRAE) level 2 or
8 higher audit report conducted by an independent third
9 party expert identifying cost-effective energy
10 efficiency project opportunities that could be
11 invested in over the next 10 years;

12 (E) A description of the customer's plans to
13 reallocate the funds toward internal energy efficiency
14 efforts identified in the subparagraph (D) report,
15 including but not limited to: (i) strategic energy
16 management or other programs, including descriptions
17 of targeted buildings, equipment and operations; (ii)
18 eligible energy efficiency measures; and (iii)
19 expected energy savings, itemized by technology; and

20 (F) The effective date of the opt out, which will
21 be the next January 1 following notice of the opt out.

22 (3) Upon receipt of a properly and timely noticed
23 request for opt out submitted by an eligible large private
24 energy customer, the retail utility shall grant the
25 request, file the request with the Commission and,
26 beginning January 1 of the following year, the opted out

1 customer shall no longer be assessed the costs of the plan
2 and shall be prohibited from participating in that
3 four-year plan cycle to give the retail utility the
4 certainty to design program plan proposals.

5 (4) Upon a customer's election to opt out under
6 paragraphs (1) and (2) of this subsection (1) and
7 commencing on the effective date of said opt out, the
8 account properly identified in the customer's notice under
9 paragraph (2) shall not be subject to any cost recovery
10 and shall not be eligible to participate in, or directly
11 benefit from, compliance with energy efficiency cumulative
12 persisting savings requirements under subsections (a)
13 through (j).

14 (5) A utility's cumulative persisting annual savings
15 targets will exclude any opted out load.

16 (6) The request to opt out is only valid for the
17 requested plan cycle. An eligible large private energy
18 customer must also request to opt out for future energy
19 plan cycles, otherwise the customer will be included in
20 the future energy plan cycle.

21 (m) Notwithstanding the requirements of this Section, as
22 part of a proceeding to approve a multi-year plan under
23 subsections (f) and (g) of this Section, the Commission shall
24 reduce the amount of energy efficiency measures implemented
25 for any single year, and whose costs are recovered under
26 subsection (d) of this Section, by an amount necessary to

1 limit the estimated average net increase due to the cost of the
2 measures to no more than

3 (1) 3.5% for each of the 4 years beginning January 1,
4 2018,

5 (2) 3.75% for each of the 4 years beginning January 1,
6 2022, and

7 (3) 4% for each of the 5 years beginning January 1,
8 2026,

9 of the average amount paid per kilowatthour by residential
10 eligible retail customers during calendar year 2015. To
11 determine the total amount that may be spent by an electric
12 utility in any single year, the applicable percentage of the
13 average amount paid per kilowatthour shall be multiplied by
14 the total amount of energy delivered by such electric utility
15 in the calendar year 2015, adjusted to reflect the proportion
16 of the utility's load attributable to customers who have opted
17 out of ~~are exempt from~~ subsections (a) through (j) of this
18 Section under paragraph (1) of subsection (1) of this Section.
19 For purposes of this subsection (m), the amount paid per
20 kilowatthour includes, without limitation, estimated amounts
21 paid for supply, transmission, distribution, surcharges, and
22 add-on taxes. For purposes of this Section, "eligible retail
23 customers" shall have the meaning set forth in Section
24 16-111.5 of this Act. Once the Commission has approved a plan
25 under subsections (f) and (g) of this Section, no subsequent
26 rate impact determinations shall be made.

1 (Source: P.A. 100-840, eff. 8-13-18; 101-81, eff. 7-12-19.)

2 (220 ILCS 5/8-103C new)

3 Sec. 8-103C. Demand response.

4 (a) The General Assembly finds that strengthening utility
5 programs for demand response will lead to greater grid
6 optimization, enhancement of rate design, less energy demand,
7 reduced peak demand, and lower costs for ratepayers.

8 (b) No later than December 31, 2021, the Commission shall
9 initiate a docket on strategies for expansion of demand
10 response by utilities that serve more than 300,000 customers.
11 Such docket shall explore at a minimum:

12 (1) Demand response programs for all customer classes.

13 (2) Utility investment in infrastructure to support
14 demand response.

15 (3) Rate design options, including but not limited to
16 time of use rates and critical peak pricing.

17 (4) Potential for peak load reductions.

18 (5) Greater utilization of devices such as smart
19 thermostats that will provide more efficiency gains.

20 (6) Customer education on opportunities for demand
21 response, pricing options and efficiency-inducing devices.

22 (7) Interaction between the docket findings and
23 Integrated Distribution Planning and Performance Based
24 Regulation, as set forth in this Act.

25 (8) Alignment between demand response programs and the

1 clean energy goals of the State.

2 (c) The Commission, as a result of the docket findings,
3 shall have the authority to order the utilities to submit a
4 demand response plan for consideration on a schedule to be
5 determined by the Commission.

6 (220 ILCS 5/8-104.1 new)

7 Sec. 8-104.1. Gas utilities; annual savings goals.

8 (a) It is the policy of the State that gas utilities are
9 required to use cost-effective energy efficiency to reduce
10 delivery load. Requiring investment in cost-effective energy
11 efficiency will reduce direct and indirect costs to consumers
12 by decreasing environmental impacts and by reducing the amount
13 of natural gas that needs to be purchased and avoiding or
14 delaying the need for new transmission, distribution, storage
15 and other related infrastructure. It serves the public
16 interest to allow gas utilities to recover costs for
17 reasonably and prudently incurred expenditures for energy
18 efficiency measures.

19 (b) As used in this Section:

20 "Black, indigenous, and people of color" and "BIPOC" means
21 people who are members of the groups described in
22 subparagraphs (a) through (e) of paragraph (A) of subsection
23 (1) of Section 2 of the Business Enterprise for Minorities,
24 Women, and Persons with Disabilities Act.

25 "Cost-effective" means that the measures satisfy the total

1 resource cost test that, for purposes of this Section, means a
2 standard that is met if, for an investment in energy
3 efficiency, the benefit-cost ratio is greater than one. The
4 benefit-cost ratio is the ratio of the net present value of the
5 total benefits of the measures to the net present value of the
6 total costs as calculated over the lifetime of the measures.
7 The total resource cost test compares the sum of avoided
8 natural gas utility costs, representing the benefits that
9 accrue to the natural gas system and the participant in the
10 delivery of those efficiency measures and including avoided
11 costs associated with the use of electricity or other fuels,
12 avoided cost associated with reduced water consumption, and
13 avoided costs associated with reduced operation and
14 maintenance costs, as well as other quantifiable societal
15 benefits, to the sum of all incremental costs of end-use
16 measures (including both utility and participant
17 contributions), plus costs to administer, deliver, and
18 evaluate each demand-side measure, to quantify the net savings
19 obtained by substituting demand-side measures for supply
20 resources. In calculating avoided costs, reasonable estimates
21 shall be included for financial costs likely to be imposed by
22 future regulation of emissions of greenhouse gases. In
23 discounting future societal costs and benefits for the purpose
24 of calculating net present values, a societal discount rate
25 based on actual, long-term Treasury bond yields shall be used.
26 The low-income measures described in subsection (f) of this

1 Section shall not be required to meet the total resource cost
2 test.

3 "Cumulative persisting annual savings" means the total gas
4 energy savings in a given year from measures installed in that
5 year or in previous years, but no earlier than January 1, 2022,
6 that are still operational and providing savings in that year
7 because the measures have not yet reached the end of their
8 useful lives.

9 "Energy efficiency" means measures that reduce the amount
10 of energy required to achieve a given end use. "Energy
11 efficiency" also includes measures that reduce the total Btus
12 of electricity and natural gas needed to meet the end use or
13 uses.

14 (c) This Section applies to all gas distribution utilities
15 in the State for those multi-year plans that include energy
16 efficiency programs commencing after December 31, 2022.

17 (d) Beginning in 2023, gas utilities subject to this
18 Section shall achieve the following cumulative persisting
19 annual savings goals, as compared to a deemed baseline
20 equivalent to the utility's average annual therm throughput in
21 2016 through 2020 through the implementation of energy
22 efficiency measures during the applicable year and in prior
23 years, but no earlier than January 1, 2023:

24 (1) 1.2% cumulative persisting annual savings for the
25 year ending December 31, 2023;

26 (2) 2.1% cumulative persisting annual savings for the

1 year ending December 31, 2024;

2 (3) 3.0% cumulative persisting annual savings for the
3 year ending December 31, 2025;

4 (4) 3.9% cumulative persisting annual savings for the
5 year ending December 31, 2026;

6 (5) 4.8% cumulative persisting annual savings for the
7 year ending December 31, 2027;

8 (6) 5.7% cumulative persisting annual savings for the
9 year ending December 31, 2028;

10 (7) 6.6% cumulative persisting annual savings for the
11 year ending December 31, 2029;

12 (8) 7.4% cumulative persisting annual savings for the
13 year ending December 31, 2030;

14 (9) 8.2% cumulative persisting annual savings for the
15 year ending December 31, 2031;

16 (10) 9.0% cumulative persisting annual savings for the
17 year ending December 31, 2032;

18 (11) 9.8% cumulative persisting annual savings for the
19 year ending December 31, 2033;

20 (12) 10.6% cumulative persisting annual savings for
21 the year ending December 31, 2034;

22 (13) 11.4% cumulative persisting annual savings for
23 the year ending December 31, 2035;

24 (14) 12.1% cumulative persisting annual savings for
25 the year ending December 31, 2036; and

26 (15) 12.8% cumulative persisting annual savings for

1 the year ending December 31, 2037.

2 No later than December 31, 2025, the Illinois Commerce
3 Commission shall establish additional cumulative persisting
4 annual savings goals for the years 2037 through 2041. The
5 Commission shall also establish additional cumulative
6 persisting annual savings goals every 5 years thereafter to
7 ensure utilities always have goals that extend at least 11
8 years into the future. The cumulative persisting annual
9 savings goals beyond the year 2035 shall increase by 0.6
10 percentage points per year absent a Commission decision to
11 initiate a proceeding to consider establishing goals that
12 increase by more or less than that amount. Such a proceeding
13 must be conducted in accordance with the procedures described
14 in subsection (f) of this Section. If such a proceeding is
15 initiated, the cumulative persisting annual savings goals
16 established by the Commission through that proceeding shall
17 reflect the Commission's best estimate of the maximum amount
18 of additional gas savings that are forecast to be
19 cost-effectively achievable unless such best estimates would
20 result in goals that represent less than 0.4 percentage point
21 annual increases in total cumulative persisting annual
22 savings. The Commission may only establish goals that
23 represent less than 0.4 percentage point annual increases in
24 cumulative persisting annual savings if it can demonstrate,
25 based on clear and convincing evidence, that 0.4 percentage
26 point increases are not cost-effectively achievable.

1 (e) If a gas utility jointly offers an energy efficiency
2 measure or program with an electric utility under plans
3 approved under this Section and Section 8-103B of this Act,
4 the gas utility may continue offering the program, including
5 the electric energy efficiency measures, if the electric
6 utility discontinues funding the program. In that event, the
7 energy-savings value associated with such other fuels shall be
8 converted to gas energy savings on an equivalent Btu basis for
9 the premises. However, the gas utility shall prioritize
10 programs for low-income residential customers to the extent
11 practicable. A gas utility may recover the costs of offering
12 the gas energy efficiency measures under this subsection (e).
13 For those energy efficiency measures or programs that save
14 both gas and other fuels but are not jointly offered with an
15 electric utility under plans approved under this Section and
16 Section 8-103B, the gas utility may count savings of fuels
17 other than gas toward the achievement of its annual savings
18 goal, and the energy-savings value associated with such other
19 fuels shall be converted to gas energy savings on an
20 equivalent Btu basis at the premises. In no event shall more
21 than 10% of each year's applicable annual total savings
22 requirement as defined in paragraph (8) of subsection (j) of
23 this Section be met through savings of fuels other than gas.

24 (f) Gas utilities are responsible for overseeing the
25 design, development, and filing of energy efficiency plans
26 with the Commission and may, as part of that implementation,

1 outsource various aspects of program development and
2 implementation. A minimum of 10% of the utility's entire
3 portfolio funding level for a given year shall be used to
4 procure cost-effective energy efficiency measures from units
5 of local government, municipal corporations, school districts,
6 public housing, community college districts, and
7 nonprofit-owned buildings provided that a minimum percentage
8 of available funds shall be used to procure energy efficiency
9 from public housing, which percentage shall be equal to public
10 housing's share of public building energy consumption. The
11 utilities shall also implement energy efficiency measures
12 targeted at low-income single-family and multifamily
13 households, which, as used in this Section, means households
14 at or below 80% of area median income, and expenditures to
15 implement the measures shall be no less than 25% of the
16 utility's total efficiency portfolio budget. At least 70% of
17 spending on programs targeted at low-income households shall
18 go toward integrated whole building efficiency programs, as
19 defined in subsection (g), or individual measures that reduce
20 space heating needs through improvements to the building
21 envelope, heating distribution systems, or heating system
22 controls. In implementing these programs, utilities shall
23 ensure that thermal insulating materials used in the building
24 envelope do not contain any substance that is a Category 1
25 respiratory sensitizer as defined by Appendix A to 29 CFR
26 1910.1200 (Health Hazard Criteria: A.4 Respiratory or Skin

1 Sensitization) that was intentionally added or is present at
2 greater than 0.1% (1000 ppm) by weight in the product.
3 Programs targeted at low-income households, which address
4 single-family and multifamily buildings shall be treated such
5 that forecast savings to be achieved in each building type are
6 approximately in proportional to the magnitude of
7 cost-effective energy efficiency opportunities in these
8 respective building types. Each gas utility shall assess
9 opportunities to implement cost-effective energy efficiency
10 measures and programs through a public-housing authority or
11 authorities located in its service territory. If such
12 opportunities are identified, the utility shall propose such
13 measures and programs to address the opportunities.
14 Expenditures to address such opportunities shall be credited
15 toward the minimum procurement and expenditure requirements
16 set forth in this subsection (f). Implementation of energy
17 efficiency measures and programs targeted at low-income
18 households shall be contracted, when it is practical, to
19 independent third parties that have demonstrated capabilities
20 to serve such households, with a preference for not-for-profit
21 entities and government agencies that have existing
22 relationships with or experience serving low-income
23 communities in the State. Each gas utility shall develop and
24 implement reporting procedures that address and assist in
25 determining the amount of energy savings that can be applied
26 to the low-income procurement and expenditure requirements set

1 forth in this subsection (f). Each gas utility shall also
2 track the types and quantities or volumes of insulation and
3 air sealing materials, and their associated energy saving
4 benefits, installed in energy efficiency programs targeted at
5 low-income single-family and multifamily households. Each gas
6 utility shall implement a health and safety fund of a minimum
7 of 0.5% of the utility's entire portfolio funding level for a
8 given year, that shall be used for the purpose of making grants
9 for technical assistance, construction, reconstruction,
10 improvement, or repair of buildings to facilitate their
11 participation in the energy efficiency programs targeted at
12 low-income single-family and multifamily households. These
13 funds may also be used for the purpose of making grants for
14 technical assistance, construction, reconstruction,
15 improvement, or repair of the following buildings to
16 facilitate their participation in the energy efficiency
17 programs created by this Section:

18 (1) buildings that are owned or operated by registered
19 501(c)(3) public charities; and

20 (2) day care centers, day care homes, or group day
21 care homes, as defined by 89 Ill. Adm. Code Part 406, 407,
22 or 408, respectively. The gas utilities shall participate
23 in a low-income energy efficiency accountability committee
24 ("the committee"), which will directly inform the design,
25 implementation, and evaluation of the low-income and
26 public-housing energy efficiency programs. The committee

1 shall be composed of the electric utilities subject to the
2 requirements of Section 8-103B of this Act, the gas
3 utilities subject to the requirements of this Section, the
4 utilities' low-income energy efficiency implementation
5 contractors, nonprofit organizations, community action
6 agencies, advocacy groups, State and local governmental
7 agencies, public-housing organizations, and
8 representatives of community-based organizations,
9 especially those living in or working with environmental
10 justice communities and BIPOC communities. The committee
11 shall be composed of a statewide leadership committee and
12 2 geographically differentiated subcommittees: one for
13 stakeholders in northern Illinois and one for stakeholders
14 in central and southern Illinois. The subcommittees shall
15 meet together at least twice per year. There shall be a
16 statewide leadership committee led by and composed of
17 community-based organizations that are representative of
18 BIPOC and environmental justice communities and that
19 includes equitable representation from BIPOC communities.
20 The leadership committee shall be composed of an equal
21 number of representatives from the 2 subcommittees. The
22 subcommittees shall address specific programs and issues,
23 with the leadership committee convening targeted
24 workgroups as needed. The leadership committee may elect
25 to work with an independent facilitator to solicit and
26 organize feedback, recommendations and meeting

1 participation from a wide variety of community-based
2 stakeholders. If a facilitator is used, they shall be fair
3 and responsive to the needs of all stakeholders involved
4 in the committee. All committee meetings must be
5 accessible, with rotating locations if meetings are held
6 in-person, virtual participation options, and materials
7 and agendas circulated well in advance. There shall also
8 be opportunities for direct input by committee members
9 outside of committee meetings, such as via individual
10 meetings, surveys, emails and calls, to ensure robust
11 participation by stakeholders with limited capacity and
12 ability to attend committee meetings. Committee meetings
13 shall emphasize opportunities to bundle and coordinate
14 delivery of low-income energy efficiency with other
15 programs that serve low-income communities, such as Solar
16 for All and bill payment assistance programs. Meetings
17 shall include educational opportunities for stakeholders
18 to learn more about these additional offerings, and the
19 committee shall assist in figuring out the best methods
20 for coordinated delivery and implementation of offerings
21 when serving low-income communities. The committee shall
22 directly and equitably influence and inform utility
23 low-income and public-housing energy efficiency programs
24 and priorities. Participating utilities shall implement
25 recommendations from the committee whenever possible.
26 Participating utilities shall track and report how input

1 from the committee has led to new approaches and changes
2 in their energy efficiency portfolios. This reporting
3 shall occur at committee meetings and in quarterly energy
4 efficiency reports to the Stakeholder Advisory Group and
5 Illinois Commerce Commission, and other relevant reporting
6 mechanisms. Participating utilities shall also report on
7 relevant equity data and metrics requested by the
8 committee, such as energy burden data, geographic, racial,
9 and other relevant demographic data on where programs are
10 being delivered and what populations programs are serving.
11 The Illinois Commerce Commission shall oversee and have
12 relevant staff participate in the committee. The committee
13 shall have a budget of 0.25% of each utility's entire
14 efficiency portfolio funding for a given year. The budget
15 shall be overseen by the Commission. The budget shall be
16 used to provide grants for community-based organizations
17 serving on the leadership committee, stipends for
18 community-based organizations participating in the
19 committee, grants for community-based organizations to do
20 energy efficiency outreach and education, and relevant
21 meeting needs as determined by the leadership committee.
22 The education and outreach shall include, but is not
23 limited to, basic energy efficiency education, information
24 about low-income energy efficiency programs, and
25 information on the committee's purpose, structure, and
26 activities.

1 (g) At least 50% of the entire efficiency program
2 portfolio budget shall be spent on any combination of:

3 (1) heating energy savings from integrated,
4 residential or nonresidential, new or existing whole
5 building efficiency programs; and

6 (2) individual heating measures in residential or
7 nonresidential buildings, new or existing, that reduce the
8 amount of space heating needs through improvements to the
9 efficiency of building envelopes (including, but not
10 limited to, insulation measures, efficient windows and air
11 leakage reduction), improvements to systems for
12 distributing heat (including, but not limited to, duct
13 leakage reduction, duct insulation or pipe insulation) in
14 buildings, improvements to ventilation systems (including,
15 but not limited to heat recovery ventilation and demand
16 control ventilation measures) or improvements to controls
17 of heating equipment (including, but not limited to,
18 advanced thermostats). Spending on efficient furnaces,
19 efficient boilers, or other efficient heating equipment
20 measures outside of or separate from integrated whole
21 building efficiency programs is permitted within the
22 efficiency program portfolio, but does not count toward
23 the minimum spending requirement in this subsection (g).
24 Spending on integrated whole building efficiency programs
25 targeted to low-income customers, as well as spending on
26 individual building envelope, heating distribution system,

1 ventilation system and heating system control measures
2 installed in low-income homes does count toward this
3 requirement. The portion of portfolio spending on program
4 marketing, training of installers, audits of buildings,
5 inspections of work performed, and other administrative
6 and technical expenses that are clearly tied to promotion
7 and delivery of integrated whole building efficiency
8 programs or installation of individual building envelope,
9 heating distribution system, ventilation system or heating
10 system control measures shall count toward this
11 requirement. If this minimum requirement is not met, any
12 performance incentive earned under paragraph (7) of
13 subsection (j) should be reduced by the percentage point
14 level of shortfall in meeting this requirement; if the
15 utility is subject to a performance penalty, then the
16 magnitude of the penalty shall be increased by the
17 percentage point shortfall in meeting this requirement.

18 As used in this subsection (g), "integrated whole
19 building efficiency programs" means programs designed to
20 optimize the heating efficiency of buildings by
21 comprehensively and simultaneously addressing
22 cost-effective energy-savings opportunities associated
23 with heating equipment, heating distribution systems,
24 heating system controls, ventilation systems and building
25 envelopes; such programs may be targeted to existing
26 buildings or to construction of new buildings.

1 (h) Notwithstanding any other provision of law to the
2 contrary, a utility providing approved energy efficiency
3 measures in the State shall be permitted to recover all
4 reasonable and prudently incurred costs of those measures from
5 all distribution system customers, provided that nothing in
6 this subsection (h) permits the double recovery of such costs
7 from customers.

8 (i) Beginning in 2022, each gas utility shall file an
9 energy efficiency plan with the Commission to meet the energy
10 efficiency standards for the next applicable multi-year period
11 beginning January 1 of the year following the filing,
12 according to the schedule set forth in paragraphs (1) through
13 (5) of this subsection (i). If a utility does not file such a
14 plan on or before the applicable filing deadline for the plan,
15 it shall face a penalty of \$100,000 per day until the plan is
16 filed.

17 (1) No later March 1, 2022, each gas utility shall
18 file a 3-year energy efficiency plan commencing on January
19 1, 2023 that is designed to achieve the cumulative
20 persisting annual savings goals specified in paragraphs
21 (1) through (3) of subsection (d) of this Section through
22 implementation of energy efficiency measures; however, the
23 goals may be reduced if the plan's analysis and forecasts
24 of the utility's ability to acquire energy savings
25 demonstrate beyond a reasonable doubt that achievement of
26 such goals is not cost-effective. Annual increases in

1 cumulative persisting annual savings goals during the
2 applicable 3-year plan period shall not be reduced to
3 amounts that are less than the maximum amount of
4 cumulative persisting annual savings that is forecast to
5 be cost-effectively achievable during the 3-year plan
6 period. The Commission shall review any proposed goal
7 reduction as part of its review and approval of the
8 utility's proposed plan.

9 (2) No later than March 1, 2025, each gas utility
10 shall file a 4-year energy efficiency plan commencing on
11 January 1, 2026 that is designed to achieve the cumulative
12 persisting annual savings goals specified in paragraphs
13 (4) through (7) of subsection (d) of this Section through
14 implementation of energy efficiency measures; however, the
15 goals may be reduced if each of the following conditions
16 are met:

17 (A) the plan's analysis and forecasts of the
18 utility's ability to acquire energy savings
19 demonstrate by clear and convincing evidence that
20 achievement of such goals is not cost-effective; and

21 (B) the amount of energy savings achieved by the
22 utility as determined by the independent evaluator for
23 the most recent year for which savings have been
24 evaluated preceding the plan filing was less than the
25 average annual amount of savings required to achieve
26 the goals for the applicable 4-year plan period.

1 Annual increases in cumulative persisting annual
2 savings goals during the applicable 4-year plan period
3 shall not be reduced to amounts that are less than the
4 maximum amount of cumulative persisting annual savings
5 that is forecast to be cost-effectively achievable
6 during the 4-year plan period. The Commission shall
7 review any proposed goal reduction as part of its
8 review and approval of the utility's proposed plan.

9 (3) No later than March 1, 2029, each gas utility
10 shall file a 4-year energy efficiency plan commencing on
11 January 1, 2030 that is designed to achieve the cumulative
12 persisting annual savings goals specified in paragraphs
13 (8) through (11) of subsection (d) of this Section through
14 implementation of energy efficiency measures; however, the
15 goals may be reduced if each of the following conditions
16 are met:

17 (A) the plan's analysis and forecasts of the
18 utility's ability to acquire energy savings
19 demonstrate by clear and convincing evidence that
20 achievement of such goals is not cost-effective; and

21 (B) the amount of energy savings achieved by the
22 utility as determined by the independent evaluator for
23 the most recent year for which savings have been
24 evaluated preceding the plan filing was less than the
25 average annual amount of savings required to achieve
26 the goals for the applicable 4-year plan period.

1 Annual increases in cumulative persisting annual
2 savings goals during the applicable 4-year plan period
3 shall not be reduced to amounts that are less than the
4 maximum amount of cumulative persisting annual savings
5 that is forecast to be cost-effectively achievable
6 during the 4-year plan period. The Commission shall
7 review any proposed goal reduction as part of its
8 review and approval of the utility's proposed plan.

9 (4) No later than March 1, beginning in 2033 and each
10 year thereafter, each gas utility shall file a 4-year
11 energy efficiency plan commencing on January 1, beginning
12 in 2034 and each 4-year period thereafter, that is
13 designed to achieve the cumulative persisting annual
14 savings goals specified in paragraphs (12) through (15) of
15 subsection (d), as well as goals for subsequent years that
16 are established by the Illinois Commerce Commission
17 pursuant to direction of subsection (d) of this Section,
18 through implementation of energy efficiency measures;
19 however, the goals may be reduced if each of the following
20 conditions are met:

21 (A) the plan's analysis and forecasts of the
22 utility's ability to acquire energy savings
23 demonstrate by clear and convincing evidence that
24 achievement of such goals is not cost-effective; and

25 (B) the amount of energy savings achieved by the
26 utility as determined by the independent evaluator for

1 the most recent year for which savings have been
2 evaluated preceding the plan filing was less than the
3 average annual amount of savings required to achieve
4 the goals for the applicable 4-year plan period.
5 Annual increases in cumulative persisting annual
6 savings goals during the applicable 4-year plan period
7 shall not be reduced to amounts that are less than the
8 maximum amount of cumulative persisting annual savings
9 that is forecast to be cost-effectively achievable
10 during the 4-year plan period. The Commission shall
11 review any proposed goal reduction as part of its
12 review and approval of the utility's proposed plan.
13 Each utility's plan shall set forth the utility's
14 proposals to meet the energy efficiency standards
15 identified in subsection (d). The Commission shall
16 seek public comment on the utility's plan and shall
17 issue an order approving or disapproving each plan
18 within 6 months after its submission. If the
19 Commission disapproves a plan, the Commission shall,
20 within 30 days, describe in detail the reasons for the
21 disapproval and describe a path by which the utility
22 may file a revised draft of the plan to address the
23 Commission's concerns satisfactorily. If the utility
24 does not refile with the Commission within 60 days,
25 the utility shall be subject to penalties at a rate of
26 \$100,000 per day until the plan is filed. This process

1 shall continue, and penalties shall accrue, until the
2 utility has successfully filed a portfolio of energy
3 efficiency measures. Penalties shall be deposited into
4 the Energy Efficiency Trust Fund.

5 (j) In submitting proposed plans and funding levels under
6 subsection (i) of this Section to meet the savings goals
7 identified in subsection (d), the utility shall:

8 (1) Demonstrate that its proposed energy efficiency
9 measures will achieve the applicable requirements that are
10 identified in subsection (d) of this Section.

11 (2) Demonstrate consideration of program options for:

12 (A) advancing new building codes, appliance
13 standards, and municipal regulations governing
14 existing and new building efficiency improvements; and

15 (B) supporting efforts to improve compliance with
16 new building codes, appliance standards and municipal
17 regulations, as potentially cost-effective means of
18 acquiring energy savings to count toward savings
19 goals.

20 (3) Demonstrate that its overall portfolio of
21 measures, not including low-income programs described in
22 subsection (f) of this Section, is cost-effective using
23 the total resource cost test, complies with subsection (i)
24 of this Section and represents a diverse cross-section of
25 opportunities for customers of all rate classes, to
26 participate in the programs. Individual measures need not

1 be cost-effective.

2 (3.5) Demonstrate that the utility's plan integrates
3 the delivery of energy efficiency programs with electric
4 efficiency programs and other efforts to address bill
5 payment issues, including, but not limited to, LIHEAP and
6 the Percent Income Payment Plan, to the extent such
7 integration is practical and has the potential to enhance
8 customer engagement, minimize market confusion, or reduce
9 administrative costs.

10 (4) Present a third-party energy efficiency
11 implementation program subject to the following
12 requirements:

13 (A) Beginning with the year commencing January 1,
14 2024, gas utilities shall fund third-party energy
15 efficiency programs in an amount that is no less than
16 10% of total efficiency portfolio budgets per year.

17 (B) For the multi-year plans commencing on January
18 1, 2023, the utility shall conduct a solicitation
19 process during 2023 for purposes of requesting
20 proposals from third-party vendors for those
21 third-party energy efficiency programs to be offered
22 during one or more years of the last 2 years of the
23 2023 to 2025 plan period. For the solicitation
24 process, the utility shall identify the sector,
25 technology, or a geographic area for which it is
26 seeking requests for proposals. The solicitation

1 process must be for programs that fill gaps in the
2 utility's program portfolio or target business
3 sectors, building types, geographies or other specific
4 parts of its customer base with initiatives that would
5 be more effective at reaching these customer segments
6 than the utilities' programs filed in its energy
7 efficiency plans.

8 (C) For multi-year plans commencing on January 1,
9 2026, January 1, 2030, and every 4 years thereafter,
10 the utility shall conduct a solicitation process
11 during 2025, 2029, and every 4 years thereafter,
12 respectively, for purposes of requesting proposals
13 from third-party vendors for those third-party energy
14 efficiency programs to be offered during one or more
15 years of the respective multi-year plan period; for
16 each solicitation process, the utility shall identify
17 the sector, technology, or geographic area for which
18 it is seeking requests for proposals; the solicitation
19 process must be for programs that fill gaps in the
20 utility's program portfolio or target business
21 sectors, building types, geographies or other specific
22 parts of its customer base with initiatives that would
23 be more effective at reaching these customer segments
24 than the utilities' programs filed in its energy
25 efficiency plans.

26 (D) The utility shall propose the bidder

1 qualifications, performance measurement process, and
2 contract structure, which must include a performance
3 payment mechanism and general terms and conditions;
4 the proposed qualifications, process, and structure
5 shall be subject to Commission approval.

6 (E) The utility shall retain an independent third
7 party to score the proposals received through the
8 solicitation process described in this paragraph (4),
9 rank them according to their cost per lifetime
10 kilowatt hours saved, and assemble the portfolio of
11 third-party programs. The gas utility shall recover
12 all costs associated with Commission-approved,
13 third-party administered programs regardless of the
14 success of those programs.

15 (5) Include a proposed or revised cost-recovery
16 mechanism, as provided for under subsection (h) of this
17 Section, to fund the proposed energy efficiency measures
18 and to ensure the recovery of the prudently and reasonably
19 incurred costs of Commission-approved programs.

20 (6) Provide for an annual independent evaluation of
21 the performance of the cost-effectiveness of the utility's
22 portfolio of measures, as well as a full review of the
23 multi-year plan results of the broader net program impacts
24 and, to the extent practical, for adjustment of the
25 measures on a going-forward basis as a result of the
26 evaluations. The resources dedicated to evaluation shall

1 not exceed 3% of portfolio resources in any given year.

2 (7) (Reserved.)

3 (8) (Reserved.)

4 (9) A utility providing approved energy efficiency and
5 demand-response measures in the State shall be permitted
6 to recover costs of those measures through an automatic
7 adjustment clause tariff filed with and approved by the
8 Commission. The tariff shall be established outside the
9 context of a general rate case. Each year the Commission
10 shall initiate a review to reconcile any amounts collected
11 with the actual costs and to determine the required
12 adjustment to the annual tariff factor to match annual
13 expenditures.

14 (9.5) The utility must demonstrate how it will ensure
15 that program implementation contractors and energy
16 efficiency installation vendors will promote workforce
17 equity and quality jobs.

18 (9.6) Utilities shall collect data necessary to ensure
19 compliance with paragraph (9.5) no less than quarterly and
20 shall communicate progress toward compliance with
21 paragraph (9.5) to program implementation contractors and
22 energy efficiency installation vendors no less than
23 quarterly. When it seems unlikely that the criteria in
24 paragraph (9.5) will be met, utilities shall work with
25 relevant vendors, providing education, training, and other
26 resources needed to ensure compliance and, where

1 necessary, adjusting or terminating work with vendors that
2 cannot assist with compliance.

3 (10) A utility required to implement efficiency
4 programs under this Section shall report annually to the
5 Illinois Commerce Commission and the General Assembly on
6 how hiring, contracting, job training, and other practices
7 related to its energy efficiency programs enhance the
8 diversity of vendors working on such programs. These
9 reports must include data on vendor and employee
10 diversity, including data on the implementation of
11 paragraphs (9.5) and (9.6). If the utility is not meeting
12 the requirements of paragraphs (9.5) and (9.6), the
13 utility shall submit a plan to adjust their activities so
14 that they meet the requirements of paragraphs (9.5) and
15 (9.6) within the following year.

16 (k) No more than 6% of energy efficiency and
17 demand-response program revenue may be allocated for research,
18 development, or pilot deployment of new equipment or measures.

19 (l) When practical, gas utilities shall incorporate
20 advanced metering infrastructure data into the planning,
21 implementation, and evaluation of energy efficiency measures
22 and programs, subject to the data privacy and confidentiality
23 protections of applicable law.

24 (m) The independent evaluator shall follow the guidelines
25 and use the savings set forth in Commission-approved energy
26 efficiency policy manuals and technical reference manuals, as

1 each may be updated from time to time. Until measure life
2 values for energy efficiency measures implemented for
3 low-income households under subsection (f) of this Section are
4 incorporated into such Commission-approved manuals, the
5 low-income measures shall have the same measure life values
6 that are established for same measures implemented in
7 households that are not low-income households.

8 (220 ILCS 5/8-201.7 new)

9 Sec. 8-201.7. Prohibition on Deposits for Low-Income
10 Residential Customers or Applicants.

11 (a) On and after the effective date of this amendatory Act
12 of the 102nd General Assembly, no public utility shall as a
13 condition for standard service require a low-income
14 residential customer or applicant to provide a deposit as
15 security against potential non-payment for service except when
16 the utility has proof that the customer engaged in tampering
17 of the public utility equipment during the previous 5 years.
18 Within 60 days after the effective date of this amendatory Act
19 of the 102nd General Assembly, a utility shall refund all
20 deposits collected from low-income customers as security
21 against potential nonpayment for standard service to such
22 residential customers except when the utility has proof that
23 the customer benefited from tampering. Proof that the customer
24 for whom the deposit is being required engaged in tampering
25 shall be the burden of the utility and the utility shall

1 provide the customer the opportunity to contest the finding
2 that the customer engaged in tampering.

3 (b) As used in this Section:

4 "Low-income residential customer or applicant" means: (i)
5 a member of a household at or below 80% of the latest median
6 household income as reported by the United States Census
7 Bureau for the most applicable community or county; (ii) a
8 member of a household at or below 150% of the federal poverty
9 level; (iii) a person who is eligible for the Illinois Low
10 Income Home Energy Assistance Program (LIHEAP) as defined in
11 the Energy Assistance Act; (iv) a person who is eligible to
12 participate in the Percentage of Income Payment Plan (PIPP or
13 PIP Plan) as defined in the Energy Assistance Act; or (v) a
14 person who is eligible to receive Lifeline service as defined
15 in the Universal Service Telephone Service Protection Law of
16 1985.

17 "Tampering" means any unauthorized alteration of utility
18 equipment or facilities by which a benefit is achieved for
19 which the utility is not compensated, including customer
20 self-restoration of utility service.

21 (220 ILCS 5/8-201.8 new)

22 Sec. 8-201.8. Prohibition on Late Payment Fees for
23 Low-Income Residential Customers or Applicants.

24 (a) Notwithstanding any other provision of this Act, as of
25 the effective date of this amendatory Act of the 102nd General

1 Assembly, a utility shall not charge a low-income residential
2 customer or applicant a fee, charge or penalty for late
3 payment of any utility bill or invoice.

4 (b) As used in this Section, "low-income residential
5 customer or applicant" means: (i) a member of a household at or
6 below 80% of the latest median household income as reported by
7 the United States Census Bureau for the most applicable
8 community or county; (ii) a member of a household at or below
9 150% of the federal poverty level; (iii) a person who is
10 eligible for the Illinois Low Income Home Energy Assistance
11 Program (LIHEAP) as defined in the Energy Assistance Act; (iv)
12 a person who is eligible to participate in the Percentage of
13 Income Payment Plan (PIPP or PIP Plan) as defined in the Energy
14 Assistance Act; or (v) a person who is eligible to receive
15 Lifeline service as defined in the Universal Service Telephone
16 Service Protection Law of 1985.

17
18 (220 ILCS 5/8-201.9 new)

19 Sec. 8-201.9. Prohibition on Credit Card Convenience Fees.

20 (a) No public utility shall assess any convenience fee,
21 surcharge, or other fee to any customer who elects to pay for
22 service using a credit card that the public utility would not
23 assess to the customer if the customer paid by other available
24 methods acceptable to the utility. The Commission may consider
25 as an operating expense, for the purpose of determining

1 whether a rate or other charge or classification is
2 sufficient, costs incurred by a utility to process payments
3 described in this Section so long as those costs are
4 determined to be prudent, just, and reasonable.

5 (b) As used in this Section, "credit card" means an
6 instrument or device, whether known as a credit card, bank
7 card, charge card, debit card, automated teller machine card,
8 secured credit card, smart card, electronic purse, prepaid
9 card, affinity card, or by any other name, issued with or
10 without fee by an issuer for the use of the holder to obtain
11 credit, money, goods, services, or anything else of value.

12 (220 ILCS 5/8-201.10 new)

13 Sec. 8-201.10. Disconnection and Credit and Collections
14 Reporting.

15 (a) The Commission shall require all gas, electric, water
16 and sewer public utilities under its authority to submit an
17 annual report by May 1, 2022 and every May 1 thereafter,
18 reporting and making publicly available in executable,
19 electronic spreadsheet format, by zip code, on the number of
20 disconnections for nonpayment and reconnections that occurred
21 in the immediately preceding calendar year.

22 (b) Each such public utility in its annual report shall
23 report to the Commission and make publicly available in
24 executable, electronic spreadsheet format the following
25 information, by zip code, for the immediately preceding

1 calendar year:

2 (1) the number of customers, by customer class and
3 type of utility service provided, during each month;

4 (2) the number of customers, by customer class and
5 type of utility service, receiving disconnection notices
6 during each month;

7 (3) the number of customers, by customer class and
8 type of utility service, disconnected for nonpayment
9 during each month;

10 (4) the number of customers, by customer class and
11 type of utility service, reconnected because they have
12 paid in full or set up payment arrangements during each
13 month;

14 (5) the number of new deferred payment agreements, by
15 customer class and type of utility service, each month;

16 (6) the number of customers, by customer class and
17 type of utility service, taking service at the beginning
18 of the month under existing deferred payment arrangements;

19 (7) the number of customers, by customer class and
20 type of utility service, completing deferred payment
21 arrangements during the month;

22 (8) the number of payment agreements, by customer
23 class and type of utility service, that failed during each
24 month;

25 (9) the number of customers, by customer class and
26 type of utility service, renegotiating deferred payment

1 arrangements during the month;

2 (10) the number of customers, by customer class and
3 type of utility service, assessed late payment fees or
4 charges during the month;

5 (11) the number of customers, by customer class and
6 type of utility service, taking service at the beginning
7 of the month under existing medical payment arrangements;

8 (12) the number of customers, by utility service,
9 completing medical payment arrangements during the month;

10 (13) the number of customers, by utility service,
11 enrolling in new medical payment arrangements during the
12 month;

13 (14) the number of customers, by utility service,
14 renegotiating medical payment arrangements plans during
15 the month;

16 (15) the number of customers, by customer class and
17 utility service, with required deposits with the company
18 at the beginning of the month;

19 (16) the number of customers, by customer class and
20 utility service, required to submit new deposits or
21 increased deposits during the month;

22 (17) the number of customers, by customer class and
23 utility service, whose required deposits were reduced in
24 part or forgone during the month;

25 (18) the number of customers, by customer class and
26 utility service, whose deposits were returned in full

1 during the month;

2 (19) the number of customers, by customer class and
3 utility service, with past due amounts greater than 30
4 days past due at the beginning of the month and taking
5 service at the beginning of the month under existing
6 deferred payment arrangements;

7 (20) the dollar volume of past due accounts, by
8 customer class and utility service, for customers with
9 past due amounts greater than 30 days past due at the
10 beginning of the month and taking service at the beginning
11 of the month under existing deferred payment arrangements;

12 (21) the number of customers, by customer class and
13 utility service, with past due amounts greater than 30
14 days past due at the beginning of the month and not taking
15 service at the beginning of the month under existing
16 deferred payment arrangements; and

17 (22) the dollar volume of past due accounts, by
18 customer class and utility service, for customers with
19 past due amounts greater than 30 days past due at the
20 beginning of the month and not taking service at the
21 beginning of the month under existing deferred payment
22 arrangements.

23 (c) The Commission may specify the executable, electronic
24 spreadsheet format that utilities must adhere to when
25 submitting the information required by this Section.
26 Notwithstanding the requirements of this Section, the

1 Commission may establish an online reporting system and
2 require each public utility to report using the online
3 reporting system instead of filing information in executable,
4 electronic spreadsheet format. The Commission shall make each
5 annual report submitted by each public utility publicly
6 available on its website within 30 days of receipt.

7 (d) The Commission shall require all gas, electric, water
8 and sewer public utilities under its authority to submit an
9 annual report by May 1, 2022 and every May 1 thereafter,
10 detailing the number of disconnections for nonpayment and
11 reconnections that occurred in the immediately preceding
12 calendar year.

13 (e) Each such public utility in its annual report shall
14 include the following information for the immediately
15 preceding calendar year:

16 (1) the number of customers, by customer class, during
17 each month;

18 (2) the number of customers, by customer class,
19 disconnected for nonpayment during each month;

20 (3) the number of customers, by customer class,
21 reconnected because they have paid in full or set up
22 payment arrangements during each month; and

23 (4) the number of customers, by customer class, who
24 have set up payment arrangements each month.

25 (f) The Commission shall make each annual report submitted
26 by each public utility publicly available on its website

1 within 30 days of receipt.

2 (220 ILCS 5/8-201.11 new)

3 Sec. 8-201.11. Accelerated Repayment of Excess Deferred
4 Income Tax.

5 (a) The General Assembly finds:

6 (1) That a portion of each utility's compensation from
7 ratepayers is attributable to reimbursement for federal
8 taxes paid by the utility.

9 (2) Due to the enactment of the 2017 Tax Cut and Jobs
10 Act, the federal income tax rate for corporations was
11 lowered, resulting in Excess Deferred Income Tax for
12 distribution utilities in the State that serve more than
13 100,000 customers.

14 (3) In proceedings before the Commission, it was
15 determined that the repayment period to ratepayers by the
16 utilities which serve more than 100,000 customers in this
17 State for this EDIT would be 39.5 years.

18 (4) The COVID-19 pandemic has harmed many customers of
19 all rate classes in the State, and resulted in the
20 Commission adopting a number of measures to provide relief
21 for customers.

22 (5) It would be in the interest of the State for the
23 repayment of the Excess Deferred Income Tax referenced in
24 Commission Dockets 19-0436, 19-0387, 20-0381 and 20-0393
25 to be paid back to ratepayers on a timetable greatly

1 accelerated from that set forth in the above-mentioned
2 dockets.

3 (b) Notwithstanding the Commission Orders in Dockets
4 19-0436, 19-0387, 20-0381 and 20-0383, the Excess Deferred
5 Income Tax referenced in those dockets shall be fully refunded
6 to ratepayers by the respective utilities no later than
7 December 31, 2025.

8 (c) The Commission shall initiate a docket to provide for
9 the refunding of these excess deferred income taxes to
10 ratepayers of the utilities referenced in those dockets, and
11 shall set forth any necessary provisions to accomplish the
12 reimbursement on the schedule delineated in subsection (b),
13 above.

14 (220 ILCS 5/8-201.12 new)

15 Sec. 8-201.12. Auditing the finances of nuclear power
16 plants.

17 (a) The General Assembly finds and declares:

18 (1) Nuclear plants produce zero-carbon, baseload power
19 and thus offer value to the people of the State of Illinois
20 by furthering the State's goals to reduce greenhouse gas
21 emissions and reach 100% clean energy;

22 (2) Nuclear plants support communities through job
23 creation, economic investments, and property taxes paid to
24 local counties, which support schools, libraries, and fire
25 departments;

1 (3) In the near term, the closure of nuclear plants in
2 Illinois is likely to result in a generation gap that will
3 be filled by dirty energy, namely fossil fuels;

4 (4) As the State conducts an ongoing assessment of how
5 and over what period of time Illinois can meet its clean
6 energy goals, an understanding of the schedule of plant
7 closures is required;

8 (5) Announced closures of a large percentage of
9 Illinois' electric generation would have a substantial
10 impact on the State budget and electric reliability for
11 Illinois residents;

12 (6) Any financial support for nuclear plants should be
13 short-term and based on clearly demonstrated need;

14 (7) That need should be demonstrated in a transparent
15 and formulaic manner and should minimize costs to
16 ratepayers to the extent possible; and

17 (8) The Office of the Governor, the Illinois
18 Environmental Protection Agency, and the General Assembly
19 must be adequately informed in order to take any necessary
20 action to prevent or minimize serious economic and energy
21 disruption to critical State services.

22 The General Assembly therefore finds that it is necessary
23 to audit the finances of nuclear power plants operating in
24 Illinois on an annual basis, beginning on January 1, 2022 and
25 occurring every year thereafter so long as such plants receive
26 Zero Emission Credits.

1 (b) By January 31, 2022 the Illinois Environmental
2 Protection Agency shall select an independent firm to conduct
3 an in-depth analysis of each nuclear power plant's financial
4 information. Within 90 days of selection, the firm shall
5 conduct an analysis of the health of Illinois nuclear power
6 plants and deliver a report to the Governor and the Illinois
7 Environmental Protection Agency. The firm shall also develop
8 and deliver a non-confidential summary, which redacts
9 proprietary information, for the General Assembly. The report
10 shall assess actual costs and revenues and attempt to quantify
11 the range and distribution of possible outcomes (negative and
12 positive) for the nuclear plants. The report shall make
13 findings that include, but are not limited to, the following:

14 (1) The operating costs and risk of the plants,
15 measured against assumptions of market conditions in
16 capacity and energy markets;

17 (2) The amount of State support, if any, needed to
18 cover the operational and risk costs of the plants,
19 looking forward over the next five-year and ten-year
20 periods;

21 (3) Any known operating and risk cost differences
22 between the Illinois nuclear power plants and other
23 nuclear power plants located in the PJM footprint; and

24 (4) The overall financial health of Illinois nuclear
25 power plants, including any near-term growth or risk
26 potential, as well as any evaluation of the health of

1 individual nuclear power plants if some of the Illinois
2 nuclear fleet is decommissioned.

3 (c) The firm's analyses and conclusions in subsection (b)
4 shall be based on:

5 (1) Revenues at each plant, which shall include, at a
6 minimum, the following information: (i) energy revenues,
7 including forward market energy prices and spot-market
8 energy prices, and (ii) capacity revenues, including
9 expected capacity revenues for each plant based on the
10 forecasted capacity price. Total revenue shall be
11 calculated as the sum of energy revenue, capacity revenue,
12 and ancillary revenue.

13 (2) Expenses at each plant, which shall include, at a
14 minimum, the following information: (i) operations and
15 maintenance (or O&M), including Site Non-Outage Production
16 Costs and Site Non-Outage Non-Production Costs, (ii)
17 overhead costs, including property tax, direct BSC,
18 nuclear corporate overhead-direct charge to site, nuclear
19 corporate overhead-Institute of Nuclear Power Operations
20 (INPO) allocated to site, and non-nuclear overhead, (iii)
21 outage costs, including O&M expenditures for unscheduled
22 outages, and indirect outage costs, (iv) capital
23 expenditures, including non-fuel capital expenditures and
24 fuel capital expenditures, and (v) spent fuel costs in the
25 form of the U.S. Department of Energy's spent nuclear fuel
26 disposal fee.

1 (3) Income tax, which shall estimate net income by
2 removing the capital expenditures from costs, replacing
3 them with capital depreciation and fuel amortization, and
4 calculating income tax as the product of the tax rate and
5 net income.

6 (4) Net cash flow, which shall be determined as the
7 difference between revenues and expenses in each year.

8 (220 ILCS 5/8-201.13 new)

9 Sec. 8-201.13. Customer data.

10 (a) The General Assembly finds:

11 (1) Utility customers in all rate classes are taking a
12 more active interest in their energy usage and how the
13 power they use is generated.

14 (2) As a result of advanced metering technology being
15 installed throughout Illinois, there is substantially more
16 data available than ever before.

17 (3) This data, if properly utilized, could lead to
18 substantial innovation in products and services available
19 to customers.

20 (4) At least one report has suggested that a
21 substantial number of Illinois electricity customers could
22 save money through time of use pricing programs that would
23 require utilization of customer data in their development.

24 (5) This innovation could lead to greater energy
25 efficiency, reduced emissions, and cost savings for

1 customers.

2 (6) While aggregated data may be helpful to providers
3 of energy services and programs, customer privacy must be
4 protected. Customers should have the ability to control
5 the dissemination of their individual data.

6 (b) No later than December 31, 2021, the Illinois Commerce
7 Commission shall open a docket on customer data, to be
8 concluded no later than June 30, 2022. The Commission process
9 should include involvement from stakeholders, consumer
10 advocates and the public, as well as experts in this field. At
11 a minimum, the Commission process shall consider:

12 (1) the scope of the data currently collected or
13 capable of being collected through advanced metering and
14 other means;

15 (2) how data is currently collected stored and
16 disseminated, and to whom it is disseminated;

17 (3) customer rights associated with their data,
18 including access, opt-outs, and ability to share with
19 third parties;

20 (4) potential improvements that date collection can
21 bring to pricing methods, grid optimization, peak shaving,
22 energy efficiency and other policies consistent with the
23 goals of the State;

24 (5) potential third-parties with whom data could be
25 shared, and the purposes for sharing such data;

26 (6) consumer protections, including technology and

1 policy changes needed to ensure that customers control the
2 ability for individual data to be released;

3 (7) educational programs for consumers about data
4 collection and sharing practices;

5 (8) utility capabilities for different or expanded
6 methods of data collection, storage and dissemination, and
7 utility technology and personnel needed to facilitate
8 various options;

9 (9) methods for resolving resolving consumer
10 complaints about data collection practices; and

11 (10) data security practices and policies necessary to
12 ensure the confidentiality of consumer data and personal
13 information, including practices and policies necessary to
14 notify consumers of data breaches.

15 (c) At the conclusion of the process, the Commission
16 shall:

17 (1) report recommendations to the General Assembly and
18 the Governor for suggested legislative changes, if any;
19 and

20 (2) identify and recommend other possible changes to
21 data collection and dissemination practices and policies
22 which do not require legislative approval.

23 (d) The Commission shall have the authority to require
24 public utilities to submit plans to the Commission regarding
25 data collection, data security, data storage, and data sharing
26 practices.

1 (e) Nothing in this Section shall prohibit the Commission
2 from exercising existing authority with respect to matters of
3 data collection, including implementation of pilot or other
4 programs authorized or created under this Act.

5 (220 ILCS 5/8-201.14 new)

6 Sec. 8-201.14. Right to self-generate electricity.

7 (a) As used in this Section:

8 "Electric cooperative" has the meaning set forth in
9 Section 3.4 of the Electric Supplier Act.

10 "Municipal utility" means a public utility that is owned
11 and operated by any political subdivision or municipal
12 corporation of this State or owned by such an entity and
13 operated by any lessee or any operating agent thereof.

14 "Public utility" has the definition set forth in Section
15 3-105 of this Act.

16 (b) Customers have the right to, and the Commission shall
17 protect the rights of customers to, produce, consume, and
18 store their own renewable energy without discriminatory
19 repercussions from a public utility, electric cooperative, or
20 municipal utility, regardless of whether that energy is
21 produced via a system that is owned outright, leased, or
22 financed through a behind-the-meter solar power-purchase
23 agreement or other means. This includes customers' rights to:

24 (1) generate, consume, and export renewable energy and
25 reduce his or her use of electricity obtained from the

1 grid;

2 (2) use technology to store energy at his or her
3 residence;

4 (3) connect his or her electrical system that
5 generates renewable energy, stores energy, or any
6 combination thereof, with the electricity meter on the
7 customer's premises that is provided by a public utility,
8 electric cooperative, or municipal utility:

9 (A) in a timely manner;

10 (B) in accordance with requirements established by
11 the electric utility to ensure the safety of utility
12 workers; and

13 (C) after providing written notice to the electric
14 utility providing service in the service territory,
15 installing a nomenclature plate on the electrical
16 meter panel and meeting all applicable State and local
17 safety and electrical code requirements associated
18 with installing a parallel distributed generation
19 system; and

20 (4) receive fair credit for energy exported to the
21 grid.

22 (c) A public utility, electric cooperative, or municipal
23 utility customer who produces, consumes, and stores his or her
24 own renewable energy shall not face discriminatory rate
25 design, fees, treatment, or excessive compliance requirements
26 as provided by paragraph (3) of subsection (n) of Section

1 16-107.5.

2 (d) A public utility, electric cooperative, or municipal
3 utility customer shall have a right to appeal any decision
4 related to self-generation and storage that violates these
5 rights to self-generation and non-discrimination pursuant to
6 the provisions of this Section through a complaint process.

7 (e) The Illinois Commerce Commission shall adopt all rules
8 necessary for the administration of this Section.

9 (220 ILCS 5/8-406) (from Ch. 111 2/3, par. 8-406)

10 Sec. 8-406. Certificate of public convenience and
11 necessity.

12 (a) No public utility not owning any city or village
13 franchise nor engaged in performing any public service or in
14 furnishing any product or commodity within this State as of
15 July 1, 1921 and not possessing a certificate of public
16 convenience and necessity from the Illinois Commerce
17 Commission, the State Public Utilities Commission or the
18 Public Utilities Commission, at the time this amendatory Act
19 of 1985 goes into effect, shall transact any business in this
20 State until it shall have obtained a certificate from the
21 Commission that public convenience and necessity require the
22 transaction of such business.

23 (b) No public utility shall begin the construction of any
24 new plant, equipment, property or facility which is not in
25 substitution of any existing plant, equipment, property or

1 facility or any extension or alteration thereof or in addition
2 thereto, unless and until it shall have obtained from the
3 Commission a certificate that public convenience and necessity
4 require such construction. Whenever after a hearing the
5 Commission determines that any new construction or the
6 transaction of any business by a public utility will promote
7 the public convenience and is necessary thereto, it shall have
8 the power to issue certificates of public convenience and
9 necessity. The Commission shall determine that proposed
10 construction will promote the public convenience and necessity
11 only if the utility demonstrates: (1) that the proposed
12 construction is necessary to provide adequate, reliable, and
13 efficient service to its customers and is the least-cost means
14 of satisfying the service needs of its customers or that the
15 proposed construction will promote the development of an
16 effectively competitive electricity market that operates
17 efficiently, is equitable to all customers, and is the least
18 cost means of satisfying those objectives; (2) that the
19 utility is capable of efficiently managing and supervising the
20 construction process and has taken sufficient action to ensure
21 adequate and efficient construction and supervision thereof;
22 and (3) that the utility is capable of financing the proposed
23 construction without significant adverse financial
24 consequences for the utility or its customers.

25 (c) After the effective date of this amendatory Act of
26 1987, no construction shall commence on any new nuclear power

1 plant to be located within this State, and no certificate of
2 public convenience and necessity or other authorization shall
3 be issued therefor by the Commission, until the Director of
4 the Illinois Environmental Protection Agency finds that the
5 United States Government, through its authorized agency, has
6 identified and approved a demonstrable technology or means for
7 the disposal of high level nuclear waste, or until such
8 construction has been specifically approved by a statute
9 enacted by the General Assembly.

10 As used in this Section, "high level nuclear waste" means
11 those aqueous wastes resulting from the operation of the first
12 cycle of the solvent extraction system or equivalent and the
13 concentrated wastes of the subsequent extraction cycles or
14 equivalent in a facility for reprocessing irradiated reactor
15 fuel and shall include spent fuel assemblies prior to fuel
16 reprocessing.

17 (d) In making its determination, the Commission shall
18 attach primary weight to the cost or cost savings to the
19 customers of the utility. The Commission may consider any or
20 all factors which will or may affect such cost or cost savings,
21 including the public utility's engineering judgment regarding
22 the materials used for construction.

23 (e) The Commission may issue a temporary certificate which
24 shall remain in force not to exceed one year in cases of
25 emergency, to assure maintenance of adequate service or to
26 serve particular customers, without notice or hearing, pending

1 the determination of an application for a certificate, and may
2 by regulation exempt from the requirements of this Section
3 temporary acts or operations for which the issuance of a
4 certificate will not be required in the public interest.

5 A public utility shall not be required to obtain but may
6 apply for and obtain a certificate of public convenience and
7 necessity pursuant to this Section with respect to any matter
8 as to which it has received the authorization or order of the
9 Commission under the Electric Supplier Act, and any such
10 authorization or order granted a public utility by the
11 Commission under that Act shall as between public utilities be
12 deemed to be, and shall have except as provided in that Act the
13 same force and effect as, a certificate of public convenience
14 and necessity issued pursuant to this Section.

15 No electric cooperative shall be made or shall become a
16 party to or shall be entitled to be heard or to otherwise
17 appear or participate in any proceeding initiated under this
18 Section for authorization of power plant construction and as
19 to matters as to which a remedy is available under The Electric
20 Supplier Act.

21 (f) Such certificates may be altered or modified by the
22 Commission, upon its own motion or upon application by the
23 person or corporation affected. Unless exercised within a
24 period of 2 years from the grant thereof authority conferred
25 by a certificate of convenience and necessity issued by the
26 Commission shall be null and void.

1 No certificate of public convenience and necessity shall
2 be construed as granting a monopoly or an exclusive privilege,
3 immunity or franchise.

4 (g) A public utility that undertakes any of the actions
5 described in items (1) through (3) of this subsection (g) or
6 that has obtained approval pursuant to Section 8-406.1 of this
7 Act shall not be required to comply with the requirements of
8 this Section to the extent such requirements otherwise would
9 apply. For purposes of this Section and Section 8-406.1 of
10 this Act, "high voltage electric service line" means an
11 electric line having a design voltage of 100,000 or more. For
12 purposes of this subsection (g), a public utility may do any of
13 the following:

14 (1) replace or upgrade any existing high voltage
15 electric service line and related facilities,
16 notwithstanding its length;

17 (2) relocate any existing high voltage electric
18 service line and related facilities, notwithstanding its
19 length, to accommodate construction or expansion of a
20 roadway or other transportation infrastructure; or

21 (3) construct a high voltage electric service line and
22 related facilities that is constructed solely to serve a
23 single customer's premises or to provide a generator
24 interconnection to the public utility's transmission
25 system and that will pass under or over the premises owned
26 by the customer or generator to be served or under or over

1 premises for which the customer or generator has secured
2 the necessary right of way.

3 (h) A public utility seeking to construct a high-voltage
4 electric service line and related facilities (Project) must
5 show that the utility has held a minimum of 2 pre-filing public
6 meetings to receive public comment concerning the Project in
7 each county where the Project is to be located, no earlier than
8 6 months prior to filing an application for a certificate of
9 public convenience and necessity from the Commission. Notice
10 of the public meeting shall be published in a newspaper of
11 general circulation within the affected county once a week for
12 3 consecutive weeks, beginning no earlier than one month prior
13 to the first public meeting. If the Project traverses 2
14 contiguous counties and where in one county the transmission
15 line mileage and number of landowners over whose property the
16 proposed route traverses is one-fifth or less of the
17 transmission line mileage and number of such landowners of the
18 other county, then the utility may combine the 2 pre-filing
19 meetings in the county with the greater transmission line
20 mileage and affected landowners. All other requirements
21 regarding pre-filing meetings shall apply in both counties.
22 Notice of the public meeting, including a description of the
23 Project, must be provided in writing to the clerk of each
24 county where the Project is to be located. A representative of
25 the Commission shall be invited to each pre-filing public
26 meeting.

1 (i) For applications filed after the effective date of
2 this amendatory Act of the 99th General Assembly, the
3 Commission shall by registered mail notify each owner of
4 record of land, as identified in the records of the relevant
5 county tax assessor, included in the right-of-way over which
6 the utility seeks in its application to construct a
7 high-voltage electric line of the time and place scheduled for
8 the initial hearing on the public utility's application. The
9 utility shall reimburse the Commission for the cost of the
10 postage and supplies incurred for mailing the notice.

11 (j) A certificate or approval under this Section shall not
12 be modified or denied on the basis of the common law doctrine
13 of first in the field if the plant, equipment, property, or
14 facility is subject to a competitive process under the
15 authority of the Federal Energy Regulatory Commission.

16 (Source: P.A. 99-399, eff. 8-18-15.)

17 (220 ILCS 5/8-512 new)

18 Sec. 8-512. Renewable energy access plan.

19 (a) It is the policy of this State to promote
20 cost-effective transmission system development that ensures
21 reliability of the electric transmission system, lowers carbon
22 emissions, minimizes long-term costs for consumers, and
23 supports the electric policy goals of this State. The General
24 Assembly finds that:

25 (1) Transmission planning, primarily for reliability

1 purposes, but also for economic and public policy reasons
2 is conducted by regional transmission organizations in
3 which transmission-owning Illinois utilities and other
4 stakeholders are members.

5 (2) Order No. 1000 of the Federal Energy Regulatory
6 Commission requires regional transmission organizations to
7 plan for transmission system needs in light of State
8 public policies, and to accept input from states during
9 the transmission system planning processes.

10 (3) The State of Illinois does not currently have a
11 comprehensive power and environmental policy planning
12 process to identify transmission infrastructure needs that
13 can serve as a vital input into the regional and
14 inter-regional transmission organization planning
15 processes conducted under Order No. 1000 and other laws
16 and regulations.

17 (4) This State is an electricity generation and power
18 transmission hub, and can leverage that position to invest
19 in infrastructure that enables new and existing Illinois
20 generators to meet the public policy goals of the State of
21 Illinois and of interconnected states while
22 cost-effectively supporting tens of thousands of jobs in
23 the renewable energy sector in this State.

24 (5) The nation has a need to readily access this
25 State's low-cost, clean electric power, and this State
26 also desires access to clean energy resources in other

1 states to develop and support its low-carbon economy and
2 keep electricity prices low in Illinois and interconnected
3 states.

4 (6) Existing transmission infrastructure may constrain
5 the State's achievement of 100% renewable energy by 2050,
6 the accelerated adoption of electric vehicles in a just
7 and equitable way, and electrification of additional
8 sectors of the Illinois economy.

9 (7) Transmission system congestion within this State
10 and the regional transmission organizations serving this
11 State limits the ability of this State's existing and new
12 electric generation facilities that do not emit carbon
13 dioxide, including renewable energy resources and zero
14 emission facilities, to serve the public policy goals of
15 this State and other states, which constrains investment
16 in this State.

17 (8) Investment in infrastructure to support existing
18 and new electric generation facilities that do not emit
19 carbon dioxide, including renewable energy resources and
20 zero emission facilities, stimulates significant economic
21 development and job growth in this State, as well as
22 creates environmental and public health benefits in this
23 State.

24 (9) Creating a forward-looking plan for this State's
25 electric transmission infrastructure, as opposed to
26 relying on case-by-case development and repeated marginal

1 upgrades, will achieve a lower-cost system for Illinois'
2 electricity customers. A forward-looking plan can also
3 help integrate and achieve a comprehensive set of
4 objectives and multiple state, regional, and national
5 policy goals.

6 (10) Alternatives to overhead electric transmission
7 lines can achieve cost-effective resolution of system
8 impacts, and warrant investigation of the circumstances
9 under which those alternatives should be considered and
10 approved. The alternatives are likely to be beneficial as
11 investment in electric transmission infrastructure moves
12 forward.

13 (b) Consistent with the findings identified in subsection
14 (a), the Commission shall open an investigation to develop and
15 adopt a renewable energy access plan no later than December
16 31, 2022. To assist and support the Commission in the
17 development of the plan, the Commission shall retain the
18 services of technical and policy experts with relevant fields
19 of expertise, solicit technical and policy analysis from the
20 public, and provide for a 120-day open public comment period
21 after publication of a draft report, which shall be published
22 no later than 90 days after the comment period ends. The plan
23 shall, at a minimum, do the following:

24 (1) designate renewable energy access plan zones
25 throughout this State in areas in which renewable energy
26 resources and suitable land areas are sufficient for

1 developing generating capacity from renewable energy
2 technologies;

3 (2) develop a plan to achieve transmission capacity
4 necessary to deliver the electric output from renewable
5 energy technologies in the renewable energy access plan
6 zones to customers in Illinois and other states in a
7 manner that is most beneficial and cost-effective to
8 customers;

9 (3) use this State's position as an electricity
10 generation and power transmission hub to create new
11 investment in this State's renewable energy resources;

12 (4) consider programs, policies, and electric
13 transmission projects that can be adopted within this
14 State that promote the cost-effective delivery of power
15 from renewable energy resources interconnected to the bulk
16 electric system to meet the renewable portfolio standard
17 targets under subsection (c) of Section 1-75 of the
18 Illinois Power Agency Act;

19 (5) consider proposals to improve regional
20 transmission organizations' regional and interregional
21 system planning processes and an analysis of how those
22 proposals would improve reliability and cost-effective
23 delivery of electricity in Illinois and the region;

24 (6) make findings and policy recommendations based on
25 technical and policy analysis regarding locations of
26 renewable energy access plan zones and the transmission

1 system developments needed to cost-effectively achieve the
2 public policy goals identified herein; and

3 (7) present the Commission's conclusions and proposed
4 recommendations based on its analysis.

5 (c) No later than December 31, 2025, and every other year
6 thereafter, the Commission shall open an investigation to
7 develop and adopt an updated renewable energy access plan
8 that, at a minimum, evaluates the implementation and
9 effectiveness of the renewable energy access plan, recommends
10 improvements to the renewable energy access plan, and provides
11 changes to transmission capacity necessary to deliver electric
12 output from the renewable energy access plan zones.

13 (220 ILCS 5/9-201) (from Ch. 111 2/3, par. 9-201)

14 Sec. 9-201. (a) Unless the Commission otherwise orders,
15 and except as otherwise provided in this Section, no change
16 shall be made by any public utility in any rate or other charge
17 or classification, or in any rule, regulation, practice or
18 contract relating to or affecting any rate or other charge,
19 classification or service, or in any privilege or facility,
20 except after 45 days' notice to the Commission and to the
21 public as herein provided. Such notice shall be given by
22 filing with the Commission and keeping open for public
23 inspection new schedules or supplements stating plainly the
24 change or changes to be made in the schedule or schedules then
25 in force, and the time when the change or changes will go into

1 effect, and by publication in a newspaper of general
2 circulation or such other notice to persons affected by such
3 change as may be prescribed by rule of the Commission. The
4 Commission, for good cause shown, may allow changes without
5 requiring the 45 days' notice herein provided for, by an order
6 specifying the changes so to be made and the time when they
7 shall take effect and the manner in which they shall be filed
8 and published.

9 When any change is proposed in any rate or other charge, or
10 classification, or in any rule, regulation, practice, or
11 contract relating to or affecting any rate or other charge,
12 classification or service, or in any privilege or facility,
13 such proposed change shall be plainly indicated on the new
14 schedule filed with the Commission, by some character to be
15 designated by the Commission, immediately preceding or
16 following the item.

17 When any public utility providing water or sewer service
18 proposes any change in any rate or other charge, or
19 classification, or in any rule, regulation, practice, or
20 contract relating to or affecting any rate or other charge,
21 classification or service, or in any privilege or facility,
22 such utility shall, in addition to the other notice
23 requirements of this Act, provide notice of such change to all
24 customers potentially affected by including a notice and
25 description of such change, and of Commission procedures for
26 intervention, in the first bill sent to each such customer

1 after the filing of the proposed change.

2 For water or sewer utilities with greater than 15,000
3 total customers, the following notice requirements are
4 applicable, in addition to the other notice requirements of
5 this Act:

6 (1) As a separate bill insert, an initial notice in
7 the first bill sent to all customers potentially affected
8 by the proposed change after the filing of the proposed
9 change shall include:

10 (A) the approximate date when the change or
11 changes shall go into effect assuming the Commission
12 utilizes the 11-month process as described in this
13 Section;

14 (B) a statement indicating that the estimated bill
15 impact may vary based on multiple factors, including,
16 but not limited to, meter size, usage volume, and the
17 fire protection district;

18 (C) the water or sewer utility's customer service
19 number or other number as may be appropriate where an
20 authorized agent of the water or sewer utility can
21 explain how the proposed increase might impact an
22 individual customer's bill;

23 (D) if the proposed change involves a change from
24 a flat to a volumetric rate, an explanation of
25 volumetric rate;

26 (E) a reference to the water or sewer utility's

1 website where customers can find tips on water
2 conservation; and

3 (F) for customers receiving both water and sewer
4 service from a utility and if the customer has an
5 option to install a separate meter for irrigation to
6 mitigate sewer charges, an explanation of the water
7 and sewer utility's and the customer's
8 responsibilities for installation of a separate meter
9 if such a change is approved.

10 (2) A second notice to all customers shall be included
11 on the first bill after the Commission suspends the
12 tariffs initiating the rate case.

13 (3) Final notice of such change shall be sent to all
14 customers potentially affected by the proposed change by
15 including information required under this paragraph (3)
16 with the first bill after the effective date of the rates
17 approved by the Final Order of the Commission in a rate
18 case. The notice shall include the following:

19 (A) the date when the change or changes went into
20 effect;

21 (B) the water or sewer utility's customer service
22 number or other number as may be appropriate where an
23 authorized agent of the water or sewer utility can
24 explain how the proposed increase might impact an
25 individual customer's bill;

26 (C) an explanation that usage shall now be charged

1 at a volumetric rate rather than a flat rate, if
2 applicable;

3 (D) a reference to the water or sewer utility's
4 website where the customer can find tips on water
5 conservation; and

6 (E) for customers receiving both water and sewer
7 service from a utility and if the customer has an
8 option to install a separate meter for irrigation to
9 mitigate sewer charges, an explanation of the water
10 and sewer utility's and the customer's
11 responsibilities for installation of a separate meter
12 if such a change is approved.

13 (b) Whenever there shall be filed with the Commission any
14 schedule stating an individual or joint rate or other charge,
15 classification, contract, practice, rule or regulation, the
16 Commission shall have power, and it is hereby given authority,
17 either upon complaint or upon its own initiative without
18 complaint, at once, and if it so orders, without answer or
19 other formal pleadings by the interested public utility or
20 utilities, but upon reasonable notice, to enter upon a hearing
21 concerning the propriety of such rate or other charge,
22 classification, contract, practice, rule or regulation, and
23 pending the hearing and decision thereon, such rate or other
24 charge, classification, contract, practice, rule or regulation
25 shall not go into effect. The period of suspension of such rate
26 or other charge, classification, contract, practice, rule or

1 regulation shall not extend more than 105 days beyond the time
2 when such rate or other charge, classification, contract,
3 practice, rule or regulation would otherwise go into effect
4 unless the Commission, in its discretion, extends the period
5 of suspension for a further period not exceeding 6 months.

6 All rates or other charges, classifications, contracts,
7 practices, rules or regulations not so suspended shall, on the
8 expiration of 45 days from the time of filing the same with the
9 Commission, or of such lesser time as the Commission may
10 grant, go into effect and be the established and effective
11 rates or other charges, classifications, contracts, practices,
12 rules and regulations, subject to the power of the Commission,
13 after a hearing had on its own motion or upon complaint, as
14 herein provided, to alter or modify the same.

15 Within 30 days after such changes have been authorized by
16 the Commission, copies of the new or revised schedules shall
17 be posted or filed in accordance with the terms of Section
18 9-103 of this Act, in such a manner that all changes shall be
19 plainly indicated. The Commission shall incorporate into the
20 period of suspension a review period of 4 business days during
21 which the Commission may review and determine whether the new
22 or revised schedules comply with the Commission's decision
23 approving a change to the public utility's rates. Such review
24 period shall not extend the suspension period by more than 2
25 days. Absent notification to the contrary within the 4
26 business day period, the new or revised schedules shall be

1 deemed approved.

2 (c) If the Commission enters upon a hearing concerning the
3 propriety of any proposed rate or other charge,
4 classification, contract, practice, rule or regulation, the
5 Commission shall establish the rates or other charges,
6 classifications, contracts, practices, rules or regulations
7 proposed, in whole or in part, or others in lieu thereof, which
8 it shall find to be just and reasonable. In such hearing, the
9 burden of proof to establish the justness and reasonableness
10 of the proposed rates or other charges, classifications,
11 contracts, practices, rules or regulations, in whole and in
12 part, shall be upon the utility. The utility, the staff of the
13 Commission, the Attorney General, or any party to a proceeding
14 initiated under this Section who has been granted intervenor
15 status and submitted a post-hearing brief must be given the
16 opportunity to present oral argument, if requested no later
17 than the date for filing exceptions, on the propriety of any
18 proposed rate or other charge, classification, contract,
19 practice, rule, or regulation. No rate or other charge,
20 classification, contract, practice, rule or regulation shall
21 be found just and reasonable unless it is consistent with
22 Sections of this Article.

23 (d) Except where compliance with Section 8-401 of this Act
24 is of urgent and immediate concern, no representative of a
25 public utility may discuss with a commissioner, commissioner's
26 assistant, or administrative law judge in a non-public setting

1 a planned filing for a general rate increase. If a public
2 utility makes a filing under this Section, then no substantive
3 communication by any such person with a commissioner,
4 commissioner's assistant, or administrative law judge
5 concerning the filing is permitted until a notice of hearing
6 has been issued. After the notice of hearing has been issued,
7 the only communications by any such person with a
8 commissioner, commissioner's assistant, or administrative law
9 judge concerning the filing permitted are communications
10 permitted under Section 10-103 of this Act. If any such
11 communication does occur, then within 5 days of the docket
12 being initiated all details relating to the communication
13 shall be placed on the public record of the proceeding. The
14 record shall include any materials, whether written, recorded,
15 filmed, or graphic in nature, produced or reproduced on any
16 media, used in connection with the communication. The record
17 shall reflect the names of all persons who transmitted,
18 received, or were otherwise involved in the communication, the
19 duration of the communication, and whether the communication
20 occurred in person or by other means. In the case of an oral
21 communication, the record shall also reflect the location or
22 locations of all persons involved in the communication and, if
23 the communication occurred by telephone, the telephone numbers
24 for the callers and recipients of the communication. A
25 commissioner, commissioner's assistant, or administrative law
26 judge who is involved in any such communication shall be

1 recused from the affected proceeding. The Commission, or any
2 commissioner or administrative law judge presiding over the
3 proceeding shall, in the event of a violation of this Section,
4 take action necessary to ensure that such violation does not
5 prejudice any party or adversely affect the fairness of the
6 proceedings including dismissing the affected proceeding.
7 Nothing in this subsection (d) is intended to preclude
8 otherwise allowable updates on issues that may be indirectly
9 related to a general rate case filing because cost recovery
10 for the underlying activity may be requested. Such updates may
11 include, without limitation, issues related to outages and
12 restoration, credit ratings, security issuances, reliability,
13 Federal Energy Regulatory Commission matters, Federal
14 Communications Commission matters, regional reliability
15 organizations, consumer education, or labor matters, provided
16 that such updates may not include cost recovery in a planned
17 rate case.

18 (Source: P.A. 100-840, eff. 8-13-18.)

19 (220 ILCS 5/9-220.3)

20 (Section scheduled to be repealed on December 31, 2023)

21 Sec. 9-220.3. Natural gas surcharges authorized.

22 (a) Tariff.

23 (1) Pursuant to Section 9-201 of this Act, a natural
24 gas utility serving more than 700,000 customers may file a
25 tariff for a surcharge which adjusts rates and charges to

1 provide for recovery of costs associated with investments
2 in qualifying infrastructure plant, independent of any
3 other matters related to the utility's revenue
4 requirement.

5 (2) Within 30 days after the effective date of this
6 amendatory Act of the 98th General Assembly, the
7 Commission shall adopt emergency rules to implement the
8 provisions of this amendatory Act of the 98th General
9 Assembly. The utility may file with the Commission tariffs
10 implementing the provisions of this amendatory Act of the
11 98th General Assembly after the effective date of the
12 emergency rules authorized by subsection (i).

13 (3) The Commission shall issue an order approving, or
14 approving with modification to ensure compliance with this
15 Section, the tariff no later than 120 days after such
16 filing of the tariffs filed pursuant to this Section. The
17 utility shall have 7 days following the date of service of
18 the order to notify the Commission in writing whether it
19 will accept any modifications so identified in the order
20 or whether it has elected not to proceed with the tariff.
21 If the order includes no modifications or if the utility
22 notifies the Commission that it will accept such
23 modifications, the tariff shall take effect on the first
24 day of the calendar year in which the Commission issues
25 the order, subject to petitions for rehearing and
26 appellate procedures. After the tariff takes effect, the

1 utility may, upon 10 days' notice to the Commission, file
2 to withdraw the tariff at any time, and the Commission
3 shall approve such filing without suspension or hearing,
4 subject to a final reconciliation as provided in
5 subsection (e) of this Section.

6 (4) When a natural gas utility withdraws the surcharge
7 tariff, the utility shall not recover any additional
8 charges through the surcharge approved pursuant to this
9 Section, subject to the resolution of the final
10 reconciliation pursuant to subsection (e) of this Section.
11 The utility's qualifying infrastructure investment net of
12 accumulated depreciation may be transferred to the natural
13 gas utility's rate base in the utility's next general rate
14 case. The utility's delivery base rates in effect upon
15 withdrawal of the surcharge tariff shall not be adjusted
16 at the time the surcharge tariff is withdrawn.

17 (5) A natural gas utility that is subject to its
18 delivery base rates being fixed at their current rates
19 pursuant to a Commission order entered in Docket No.
20 11-0046, notwithstanding the effective date of its tariff
21 authorized pursuant to this Section, shall reflect in a
22 tariff surcharge only those projects placed in service
23 after the fixed rate period of the merger agreement has
24 expired by its terms.

25 (b) For purposes of this Section, "qualifying
26 infrastructure plant" includes only plant additions placed in

1 service not reflected in the rate base used to establish the
2 utility's delivery base rates. "Costs associated with
3 investments in qualifying infrastructure plant" shall include
4 a return on qualifying infrastructure plant and recovery of
5 depreciation and amortization expense on qualifying
6 infrastructure plant, net of the depreciation included in the
7 utility's base rates on any plant retired in conjunction with
8 the installation of the qualifying infrastructure plant.
9 Collectively the "qualifying infrastructure plant" and "costs
10 associated with investments in qualifying infrastructure
11 plant" are referred to as the "qualifying infrastructure
12 investment" and that are related to one or more of the
13 following:

14 (1) the installation of facilities to retire and
15 replace underground natural gas facilities, including
16 facilities appurtenant to facilities constructed of those
17 materials such as meters, regulators, and services, and
18 that are constructed of cast iron, wrought iron, ductile
19 iron, unprotected coated steel, unprotected bare steel,
20 mechanically coupled steel, copper, Cellulose Acetate
21 Butyrate (CAB) plastic, pre-1973 DuPont Aldyl "A"
22 polyethylene, PVC, or other types of materials identified
23 by a State or federal governmental agency as being prone
24 to leakage;

25 (2) the relocation of meters from inside customers'
26 facilities to outside;

1 (3) the upgrading of the gas distribution system from
2 a low pressure to a medium pressure system, including
3 installation of high-pressure facilities to support the
4 upgrade;

5 (4) modernization investments by a combination
6 utility, as defined in subsection (b) of Section 16-108.5
7 of this Act, to install:

8 (A) advanced gas meters in connection with the
9 installation of advanced electric meters pursuant to
10 Sections 16-108.5 and 16-108.6 of this Act; and

11 (B) the communications hardware and software and
12 associated system software that creates a network
13 between advanced gas meters and utility business
14 systems and allows the collection and distribution of
15 gas-related information to customers and other parties
16 in addition to providing information to the utility
17 itself;

18 (5) replacing high-pressure transmission pipelines and
19 associated facilities identified as having a higher risk
20 of leakage or failure or installing or replacing
21 high-pressure transmission pipelines and associated
22 facilities to establish records and maximum allowable
23 operating pressures;

24 (6) replacing difficult to locate mains and service
25 pipes and associated facilities; and

26 (7) replacing or installing transmission and

1 distribution regulator stations, regulators, valves, and
2 associated facilities to establish over-pressure
3 protection.

4 With respect to the installation of the facilities
5 identified in paragraph (1) of subsection (b) of this Section,
6 the natural gas utility shall determine priorities for such
7 installation with consideration of projects either: (i)
8 integral to a general government public facilities improvement
9 program or (ii) ranked in the highest risk categories in the
10 utility's most recent Distribution Integrity Management Plan
11 where removal or replacement is the remedial measure.

12 (c) Qualifying infrastructure investment, defined in
13 subsection (b) of this Section, recoverable through a tariff
14 authorized by subsection (a) of this Section, shall not
15 include costs or expenses incurred in the ordinary course of
16 business for the ongoing or routine operations of the utility,
17 including, but not limited to:

18 (1) operating and maintenance costs; and

19 (2) costs of facilities that are revenue-producing,
20 which means facilities that are constructed or installed
21 for the purpose of serving new customers.

22 (d) Gas utility commitments. A natural gas utility that
23 has in effect a natural gas surcharge tariff pursuant to this
24 Section shall:

25 (1) recognize that the General Assembly identifies
26 improved public safety and reliability of natural gas

1 facilities as the cornerstone upon which this Section is
2 designed, and qualifying projects should be encouraged,
3 selected, and prioritized based on these factors; and

4 (2) provide information to the Commission as requested
5 to demonstrate that (i) the projects included in the
6 tariff are indeed qualifying projects and (ii) the
7 projects are selected and prioritized taking into account
8 improved public safety and reliability.

9 (3) The amount of qualifying infrastructure investment
10 eligible for recovery under the tariff in the applicable
11 calendar year is limited to the lesser of (i) the actual
12 qualifying infrastructure plant placed in service in the
13 applicable calendar year and (ii) the difference by which
14 total plant additions in the applicable calendar year
15 exceed the baseline amount, and subject to the limitation
16 in subsection (g) of this Section. A natural gas utility
17 can recover the costs of qualifying infrastructure
18 investments through an approved surcharge tariff from the
19 beginning of each calendar year subject to the
20 reconciliation initiated under paragraph (2) of subsection
21 (e) of this Section, during which the Commission may make
22 adjustments to ensure that the limits defined in this
23 paragraph are not exceeded. Further, if total plant
24 additions in a calendar year do not exceed the baseline
25 amount in the applicable calendar year, the Commission,
26 during the reconciliation initiated under paragraph (2) of

1 subsection (e) of this Section for the applicable calendar
2 year, shall adjust the amount of qualifying infrastructure
3 investment eligible for recovery under the tariff to zero.

4 (4) For purposes of this Section, "baseline amount"
5 means an amount equal to the utility's average of total
6 depreciation expense, as reported on page 336, column (b)
7 of the utility's ILCC Form 21, for the calendar years 2006
8 through 2010.

9 (e) Review of investment.

10 (1) The amount of qualifying infrastructure investment
11 shall be shown on an Information Sheet supplemental to the
12 surcharge tariff and filed with the Commission monthly or
13 some other time period at the option of the utility. The
14 Information Sheet shall be accompanied by data showing the
15 calculation of the qualifying infrastructure investment
16 adjustment. Unless otherwise ordered by the Commission,
17 each qualifying infrastructure investment adjustment shown
18 on an Information Sheet shall become effective pursuant to
19 the utility's approved tariffs.

20 (2) For each calendar year in which a surcharge tariff
21 is in effect, the natural gas utility shall file a
22 petition with the Commission to initiate hearings to
23 reconcile amounts billed under each surcharge authorized
24 pursuant to this Section with the actual prudently
25 incurred costs recoverable under this tariff in the
26 preceding year. The petition filed by the natural gas

1 utility shall include testimony and schedules that support
2 the accuracy and the prudence of the qualifying
3 infrastructure investment for the calendar year being
4 reconciled. The petition filed shall also include the
5 number of jobs attributable to the natural gas surcharge
6 tariff as required by rule. The review of the utility's
7 investment shall include identification and review of all
8 plant that was ranked within the highest risk categories
9 in that utility's most recent Distribution Integrity
10 Management Plan.

11 (f) The rate of return applied shall be the overall rate of
12 return authorized by the Commission in the utility's last gas
13 rate case.

14 (g) The cumulative amount of increases billed under the
15 surcharge, since the utility's most recent delivery service
16 rate order, shall not exceed an annual average 4% of the
17 utility's delivery base rate revenues, but shall not exceed
18 5.5% in any given year. On the effective date of new delivery
19 base rates, the surcharge shall be reduced to zero with
20 respect to qualifying infrastructure investment that is
21 transferred to the rate base used to establish the utility's
22 delivery base rates, provided that the utility may continue to
23 charge or refund any reconciliation adjustment determined
24 pursuant to subsection (e) of this Section.

25 (h) If a gas utility obtains a surcharge tariff under this
26 Section 9-220.3, then it and its affiliates are excused from

1 the rate case filing requirements contained in Sections
2 9-220(h) and 9-220(h-1). In the event a natural gas utility,
3 prior to the effective date of this amendatory Act of the 98th
4 General Assembly, made a rate case filing that is still
5 pending on the effective date of this amendatory Act of the
6 98th General Assembly, the natural gas utility may, at the
7 time it files its surcharge tariff with the Commission, also
8 file a notice with the Commission to withdraw its rate case
9 filing. Any affiliate of such natural gas utility may also
10 file to withdraw its rate case filing. Upon receipt of such
11 notice, the Commission shall dismiss the rate case filing with
12 prejudice and such tariffs and the record related thereto
13 shall not be the subject of any further hearing,
14 investigation, or proceeding of any kind related to rates for
15 gas delivery services. Notwithstanding the foregoing, a
16 natural gas utility shall not be permitted to withdraw a rate
17 case filing for which a proposed order recommending a rate
18 reduction is pending. A natural gas utility shall not be
19 permitted to withdraw the gas delivery services tariffs that
20 are the subject of Commission Docket Nos. 12-0511/12-0512
21 (cons.). None of the costs incurred for the withdrawn rate
22 case are recoverable from ratepayers.

23 (i) The Commission shall promulgate rules and regulations
24 to carry out the provisions of this Section under the
25 emergency rulemaking provisions set forth in Section 5-45 of
26 the Illinois Administrative Procedure Act, and such emergency

1 rules shall be effective no later than 30 days after the
2 effective date of this amendatory Act of the 98th General
3 Assembly.

4 (j) This Section is repealed and tariffs authorized by
5 this Section will terminate on December 31, 2021 ~~December 31,~~
6 ~~2023.~~

7 (Source: P.A. 98-57, eff. 7-5-13.)

8 (220 ILCS 5/9-221) (from Ch. 111 2/3, par. 9-221)

9 Sec. 9-221. Whenever a municipality pursuant to Section
10 8-11-2 or 8-11-2.7 of the Illinois Municipal Code, as
11 heretofore and hereafter amended, imposes a tax on any public
12 utility, such utility may charge its customers, other than
13 customers who are certified business enterprises under
14 paragraph (e) of Section 8-11-2 of the Illinois Municipal Code
15 or are exempted from those taxes under paragraph (f) of that
16 Section, to the extent of such exemption and during the period
17 in which such exemption is in effect, in addition to any rate
18 authorized by this Act, an additional charge equal to the sum
19 of (1) an amount equal to such municipal tax, or any part
20 thereof (2) 3% of such tax, or any part thereof, as the case
21 may be, to cover costs of accounting, and (3) an amount equal
22 to the increase in taxes and other payments to governmental
23 bodies resulting from the amount of such additional charge.
24 Such utility shall file with the Commission a true and correct
25 copy of the municipal ordinance imposing such tax; and also

1 shall file with the Commission a supplemental schedule
2 applicable to such municipality which shall specify such
3 additional charge and which shall become effective upon filing
4 without further notice. Such additional charge shall be shown
5 separately on the utility bill to each customer. The
6 Commission shall have power to investigate whether or not such
7 supplemental schedule correctly specifies such additional
8 charge, but shall have no power to suspend such supplemental
9 schedule. If the Commission finds, after a hearing, that such
10 supplemental schedule does not correctly specify such
11 additional charge, it shall by order require a refund to the
12 appropriate customers of the excess, if any, with interest, in
13 such manner as it shall deem just and reasonable, and in and by
14 such order shall require the utility to file an amended
15 supplemental schedule corresponding to the finding and order
16 of the Commission.

17 (Source: P.A. 87-895; 88-132.)

18 (220 ILCS 5/9-227) (from Ch. 111 2/3, par. 9-227)

19 Sec. 9-227. Charitable contributions by public utilities.

20 It shall not be proper for the Commission to consider as an
21 operating expense, for the purpose of determining whether a
22 rate or other charge or classification is sufficient,
23 donations made by a public utility for the public welfare or
24 for charitable scientific, religious or educational purposes,
25 ~~provided that such donations are reasonable in amount. In~~

1 ~~determining the reasonableness of such donations, the~~
2 ~~Commission may not establish, by rule, a presumption that any~~
3 ~~particular portion of an otherwise reasonable amount may not~~
4 ~~be considered as an operating expense.~~ The Commission shall
5 disallow ~~be prohibited from disallowing~~ by rule, as an
6 operating expense, any portion of a ~~reasonable~~ donation for
7 public welfare or charitable purposes.

8 (Source: P.A. 85-122.)

9 (220 ILCS 5/9-229)

10 Sec. 9-229. Consideration of attorney and expert
11 compensation as an expense and intervenor compensation fund.

12 (a) The Commission shall specifically assess the justness
13 and reasonableness of any amount expended by a public utility
14 to compensate attorneys or technical experts to prepare and
15 litigate a general rate case filing. This issue shall be
16 expressly addressed in the Commission's final order.

17 (b) The State of Illinois shall create a Consumer
18 Intervenor Compensation Fund subject to the following:

19 (1) Legislative Intent. Provision of compensation for
20 Consumer Interest Representatives that intervene in
21 Illinois Commerce Commission proceedings will increase
22 public engagement, encourage additional transparency,
23 expand the information available to the Commission, and
24 improve decision-making.

25 (2) Definition. Consumer interest representative

1 means:

2 (A) a residential utility customer or group of
3 residential utility customers;

4 (B) representatives of not-for-profit groups or
5 organizations whose membership is limited to
6 residential utility customers;

7 (C) representatives of not-for-profit groups or
8 organizations whose membership includes Illinois
9 residents and that address the community, economic,
10 environmental, or social welfare of Illinois
11 residents; or

12 (D) not-for-profit organizations that are
13 authorized to represent the interests of residential
14 utility customers or small commercial utility
15 customers that receive utility service from a public
16 utility whose tariffs must be approved by the
17 Commission pursuant to their articles of incorporation
18 or bylaws.

19 (3) Eligibility for Compensation. A consumer interest
20 representative is eligible to receive compensation from
21 the consumer intervenor compensation fund if its
22 participation included lay or expert testimony or legal
23 briefing and argument concerning the expenses,
24 investments, rate design, rate impact, or other matters
25 affecting the pricing, rates, costs or other charges
26 associated with utility service, the Commission addresses

1 or adopts in whole or in part one or more factual
2 contentions, legal contentions, or policy or procedural
3 recommendations presented by the consumer interest
4 representative, the participant provided a significant
5 contribution to the record, and participation caused a
6 significant financial hardship to the participant.

7 (4) Consumer Intervenor Compensation Fund. Within 30
8 days after the effective date of this Act, each utility
9 that files a request for an increase in rates under
10 Article IX or Article XVI shall deposit an amount equal to
11 one half of the rate case attorney and expert expense
12 allowed by the Commission into the fund within 35 days of
13 the date of the Commission's final Order in the rate case
14 or 20 days after the denial of rehearing under Section
15 10-113 of this Act, whichever is later. The Consumer
16 Intervenor Compensation Fund shall be used to provide
17 payment to consumer interest representatives as described
18 in this Section.

19 (5) (A) Initial Funding of Consumer Intervenor
20 Compensation Fund. An electric public utility with
21 3,000,000 or more retail customers shall contribute
22 \$450,000 to the Consumer Intervenor Compensation Fund
23 within 60 days after the effective date of this Act. A
24 combined electric and gas public utility serving fewer
25 than 3,000,000 but more than 500,000 retail customers
26 shall contribute \$225,000 to the Consumer Intervenor

1 Compensation Fund within 60 days after the effective date
2 of this Act. A gas public utility with 1,500,000 or more
3 retail customers that is not a combined electric and gas
4 public utility shall contribute \$225,000 to the Consumer
5 Intervenor Compensation Fund within 60 days after the
6 effective date of this Act. A gas public utility with
7 fewer than 1,500,000 retail customers but more than
8 300,000 retail customers that is not a combined electric
9 and gas public utility shall contribute \$80,000 to the
10 Consumer Intervenor Compensation Fund within 60 days after
11 the effective date of this Act. A gas public utility with
12 fewer than 300,000 retail customers that is not a combined
13 electric and gas public utility shall contribute \$20,000
14 to the Consumer Intervenor Compensation Fund within 60
15 days after the effective date of this Act. A combined
16 electric and gas public utility serving fewer than 500,000
17 retail customers shall contribute \$20,000 to the Consumer
18 Intervenor Compensation Fund within 60 days after the
19 effective date of this Act. A water and/or sewer public
20 utility serving more than 100,000 retail customers shall
21 contribute \$80,000, and a water and/or sewer public
22 utility serving fewer than 100,000 but more than 10,000
23 retail customers shall contribute \$20,000.

24 (6) (A) Pre-Order Funding. Prior to the entry of a
25 Final Order in a docketed case, the Commission
26 Administrator shall provide a payment to a consumer

1 interest representative that demonstrates through a
2 verified application for funding that the consumer
3 interest representative's participation or intervention
4 without an award of fees or costs imposes a significant
5 financial hardship based on a schedule to be developed by
6 the Commission. The initial payment shall be no less than
7 \$20,000 for a request for an increase in rates, and may be
8 up to \$20,000 for other dockets, investigations,
9 rulemakings, or proceedings. The Administrator may require
10 verification of costs incurred, including statements of
11 hours spent, as a condition to paying the consumer
12 interest representative prior to the entry of a Final
13 Order in a docketed case.

14 (B) Post Order Funding. If the Commission addresses or
15 adopts in whole or in part one or more factual
16 contentions, legal contentions, or policy or procedural
17 recommendations presented by the consumer interest
18 representative, the participant provided a contribution to
19 the record, and participation caused a financial hardship
20 to the participant then the consumer interest
21 representative shall be allowed payment for some or all of
22 the consumer interest representative's reasonable
23 attorney's or advocate's fees, reasonable expert witness
24 fees, and other reasonable costs of preparation for and
25 participation in a hearing or proceeding. Expenses related
26 to travel or meals shall not be compensable. The

1 Administrator shall award compensation to maximize
2 intervenor participation.

3 (C) Request for Funding. The consumer interest
4 representative shall submit an itemized request for
5 compensation to the Consumer Intervenor Compensation Fund,
6 including the advocate's or attorney's reasonable fee
7 rate, the number of hours expended, reasonable expert and
8 expert witness fees, and other reasonable costs for the
9 preparation for and participation in the hearing and
10 briefing within 30 days of the Commission's final order
11 after denial or decision on rehearing, if any.

12 (7) Administration of the Fund.

13 (A) The Consumer Intervenor Compensation Fund is
14 created as a special fund in the State treasury. All
15 disbursements from the Consumer Intervenor Compensation
16 Fund shall be made only upon warrants of the Comptroller
17 drawn upon the Treasurer as custodian of the Fund upon
18 vouchers signed by the Executive Director of the
19 Commission or by the person or persons designated by the
20 Director for that purpose. The Comptroller is authorized
21 to draw the warrant upon vouchers so signed. The Treasurer
22 shall accept all warrants so signed and shall be released
23 from liability for all payments made on those warrants.
24 The Consumer Intervenor Compensation Fund shall be
25 administered by an Administrator that is a person or
26 entity that is independent of the Commission. The

1 administrator will be responsible for the prudent
2 management of the Consumer Intervenor Compensation Fund
3 and for recommendations for the award of consumer
4 intervenor compensation from the Consumer Intervenor
5 Compensation Fund. The Commission shall issue a request
6 for qualifications for a third-party program administrator
7 to administer the Consumer Intervenor Compensation Fund.
8 The third-party administrator shall be chosen through a
9 competitive bid process based on selection criteria and
10 requirements developed by the Commission. The Illinois
11 Procurement Code does not apply to the hiring or payment
12 of the Administrator. All Administrator costs may be paid
13 for using monies from the Consumer Intervenor Compensation
14 Fund, but the Program Administrator shall strive to
15 minimize costs in the implementation of the program. The
16 Consumer Intervenor Compensation Fund shall not be subject
17 to sweeps, administrative charges, or chargebacks,
18 including, but not limited to, those authorized under
19 Section 8h of the State Finance Act, that would in any way
20 result in the transfer of any funds from this Fund to any
21 other fund of this State or in having any such funds
22 utilized for any purpose other than the express purposes
23 set forth in this Section.

24 (B) The computation of compensation awarded from the
25 fund shall take into consideration the market rates paid
26 to persons of comparable training and experience who offer

1 similar services, but may not exceed the comparable market
2 rate for services paid by the public utility as part of its
3 rate case expense.

4 (C) (1) Recommendations on the award of compensation by
5 the administrator shall include consideration of whether
6 the Commission addressed or adopted in whole or in part
7 one or more factual contentions, legal contentions, or
8 policy or procedural recommendations presented by the
9 consumer interest representative; whether the participant
10 provided a to the record; and whether that participation
11 caused a financial hardship to the participant and the
12 payment of compensation is fair, just and reasonable.

13 (2) Recommendations on the award of compensation by
14 the administrator shall be submitted to the Commission for
15 approval. Unless the Commission initiates and
16 investigation within 45 days after the notice to the
17 Commission, the award of compensation shall be allowed 45
18 days after notice to the Commission. Such notice shall be
19 given by filing with the Commission on the Commission's
20 e-docket system, and keeping open for public inspection
21 the award for compensation proposed by the Administrator.
22 The Commission shall have power, and it is hereby given
23 authority, either upon complaint or upon its own
24 initiative without complaint, at once, and if it so
25 orders, without answer or other formal pleadings, but upon
26 reasonable notice, to enter upon a hearing concerning the

1 propriety of the award. The investigation shall not extend
2 more than 105 days after the Commission initiates the
3 investigation.

4 (c) The Commission may adopt rules to implement this
5 Section.

6 (Source: P.A. 96-33, eff. 7-10-09.)

7 (220 ILCS 5/9-241) (from Ch. 111 2/3, par. 9-241)

8 Sec. 9-241. No public utility shall, as to rates or other
9 charges, services, facilities or in other respect, make or
10 grant any preference or advantage to any corporation or person
11 or subject any corporation or person to any prejudice or
12 disadvantage. No public utility shall establish or maintain
13 any unreasonable difference as to rates or other charges,
14 services, facilities, or in any other respect, either as
15 between localities or as between classes of service.

16 However, nothing in this Section shall be construed as
17 limiting the authority of the Commission to permit the
18 establishment of economic development rates as incentives to
19 economic development either in enterprise zones as designated
20 by the State of Illinois or in other areas of a utility's
21 service area. Such rates should be available to existing
22 businesses which demonstrate an increase to existing load as
23 well as new businesses which create new load for a utility so
24 as to create a more balanced utilization of generating
25 capacity. The Commission shall ensure that such rates are

1 established at a level which provides a net benefit to
2 customers within a public utility's service area.

3 The Commission shall require that public utilities provide
4 low-income discount rates for customers whose income falls at
5 or below 80% of area median income, and file tariffs to reflect
6 said discounts with the discounts tiered and decreased as
7 income increases. In its review of the tariffs, the Commission
8 shall ensure recovery of any cost associated with the tariffs
9 be reflected in the rates charged to all customer classes,
10 with charges and credits under the tariff allocated and
11 collected through existing volumetric charges for delivery
12 services. The tariff may be established outside the context of
13 a general rate case filing and shall specify the terms of any
14 applicable audit. The Commission shall review and by order
15 approve, or approve as modified, the proposed tariff within
16 180 days after the date on which it is filed.

17 Upon approval of the tariff, the utility shall apply the
18 appropriate credit or charge over a 12-month period beginning
19 with the June billing period and ending with the May billing
20 period, with the first such billing period beginning June
21 2022.

22 Eligibility for the low-income discount rates described in
23 this subsection shall be established upon verification of a
24 low-income customer's receipt of any means tested public
25 benefit, or verification of eligibility for the low-income
26 home energy assistance program. Said public benefits may

1 include, but are not limited to, assistance from any
2 government entity which provides cash, housing, food, or
3 medical care, including, but not limited to, transitional
4 assistance for needy families, supplemental security income,
5 emergency assistance to elders, disabled, and children,
6 supplemental nutrition assistance program, public housing,
7 federally-subsidized or state-subsidized housing, the
8 low-income home energy assistance program, veterans' benefits,
9 and similar benefits. The Department of Human Services shall
10 make available to distribution companies the eligibility
11 guidelines for said public benefit programs.

12 Each distribution company shall conduct substantial
13 outreach efforts to make said low-income discount available to
14 eligible customers and shall report the Commission, at least
15 annually, as to its outreach activities and results. Outreach
16 may include establishing an automated program of matching
17 customer accounts with lists of recipients of said means
18 tested public benefit programs and based on the results of
19 said matching program, to presumptively offer a low-income
20 discount rate to eligible customers so identified; provided,
21 however, that the distribution company, within 60 days of said
22 presumptive enrollment, informs any such low-income customer
23 of said presumptive enrollment and all rights and obligations
24 of a customer under said program, including the right to
25 withdraw from said program without penalty.

26 A residential customer eligible for low-income discount

1 rates shall receive the service upon request and proof of
2 eligibility. Each distribution company shall periodically
3 notify all customers of the availability and method of
4 obtaining low-income discount rates.

5 A utility shall file tariffs consistent with this
6 subsection within 180 days of the enactment of this provision.
7 The Commission shall promulgate rules and regulations
8 requiring utility companies to produce information, in the
9 form of a mailing, and other approved method of distribution,
10 to their consumers, to inform them of available rebates,
11 discounts, credits, and other cost-saving mechanisms that can
12 help them lower their monthly utility bills, and send out such
13 information semi-annually, unless otherwise provided by this
14 chapter.

15 Prior to October 1, 1989, no public utility providing
16 electrical or gas service shall consider the use of solar or
17 other nonconventional renewable sources of energy by a
18 customer as a basis for establishing higher rates or charges
19 for any service or commodity sold to such customer; nor shall a
20 public utility subject any customer utilizing such energy
21 source or sources to any other prejudice or disadvantage on
22 account of such use. No public utility shall without the
23 consent of the Commission, charge or receive any greater
24 compensation in the aggregate for a lesser commodity, product,
25 or service than for a greater commodity, product or service of
26 like character.

1 The Commission, in order to expedite the determination of
2 rate questions, or to avoid unnecessary and unreasonable
3 expense, or to avoid unjust or unreasonable discrimination
4 between classes of customers, or, whenever in the judgment of
5 the Commission public interest so requires, may, for rate
6 making and accounting purposes, or either of them, consider
7 one or more municipalities either with or without the adjacent
8 or intervening rural territory as a regional unit where the
9 same public utility serves such region under substantially
10 similar conditions, and may within such region prescribe
11 uniform rates for consumers or patrons of the same class.

12 Any public utility, with the consent and approval of the
13 Commission, may as a basis for the determination of the
14 charges made by it classify its service according to the
15 amount used, the time when used, the purpose for which used,
16 and other relevant factors.

17 (Source: P.A. 91-357, eff. 7-29-99.)

18 (220 ILCS 5/16-107.5)

19 Sec. 16-107.5. Net electricity metering.

20 (a) The General Assembly ~~Legislature~~ finds and declares
21 that a program to provide net electricity metering, as defined
22 in this Section, for eligible customers can encourage private
23 investment in renewable energy resources, stimulate economic
24 growth, enhance the continued diversification of Illinois'
25 energy resource mix, and protect the Illinois environment.

1 Further, to achieve the goals of this Act that robust options
2 for customer-site distributed generation continue to thrive in
3 Illinois, the General Assembly finds that a predictable
4 transition must be ensured for customers between full net
5 metering at the retail electricity rate to the distribution
6 generation rebate described in Section 16-107.6.

7 (b) As used in this Section, (i) "community renewable
8 generation project" shall have the meaning set forth in
9 Section 1-10 of the Illinois Power Agency Act; (ii) "eligible
10 customer" means a retail customer that owns, hosts, or
11 operates, including any third-party owned systems, a solar,
12 wind, or other eligible renewable electrical generating
13 facility with a rated alternating current capacity of not more
14 than 5,000 ~~2,000~~ kilowatts that is located on the customer's
15 premises or customer's side of the billing meter and is
16 intended primarily to offset the customer's own current or
17 future electrical requirements; (iii) "electricity provider"
18 means an electric utility or alternative retail electric
19 supplier; (iv) "eligible renewable electrical generating
20 facility" means a generator which may include the co-location
21 of an energy storage system that is interconnected under rules
22 adopted by the Commission and is powered by solar electric
23 energy, wind, dedicated crops grown for electricity
24 generation, agricultural residues, untreated and unadulterated
25 wood waste, landscape trimmings, livestock manure, anaerobic
26 digestion of livestock or food processing waste, fuel cells or

1 microturbines powered by renewable fuels, or hydroelectric
2 energy; (v) "net electricity metering" (or "net metering")
3 means the measurement, during the billing period applicable to
4 an eligible customer, of the net amount of electricity
5 supplied by an electricity provider to the customer's premises
6 or provided to the electricity provider by the customer or
7 subscriber; (vi) "subscriber" shall have the meaning as set
8 forth in Section 1-10 of the Illinois Power Agency Act; ~~and~~
9 (vii) "subscription" shall have the meaning set forth in
10 Section 1-10 of the Illinois Power Agency Act; (viii) "energy
11 storage system" means commercially available technology that
12 is capable of absorbing energy and storing it for a period of
13 time for use at a later time including but not limited to
14 electrochemical, thermal and electromechanical technologies
15 and may be interconnected behind the customer's meter or
16 interconnected behind its own meter; and (ix) "future
17 electrical requirements" means a reasonable approximation of
18 the annual load of two electric vehicles and, for non-electric
19 heating customers, a reasonable approximation of the
20 incremental electric load association with fuel switching. The
21 approximations shall be applied to the appropriate net
22 metering tariff, and do not need to be unique to each
23 individual eligible customer. The utility shall submit these
24 approximations to the Commission for review, modification, and
25 approval.

26 (c) A net metering facility shall be equipped with

1 metering equipment that can measure the flow of electricity in
2 both directions at the same rate.

3 (1) For eligible customers whose electric service has
4 not been declared competitive pursuant to Section 16-113
5 of this Act as of July 1, 2011 and whose electric delivery
6 service is provided and measured on a kilowatt-hour basis
7 and electric supply service is not provided based on
8 hourly pricing, this shall typically be accomplished
9 through use of a single, bi-directional meter. If the
10 eligible customer's existing electric revenue meter does
11 not meet this requirement, the electricity provider shall
12 arrange for the local electric utility or a meter service
13 provider to install and maintain a new revenue meter at
14 the electricity provider's expense, which may be the smart
15 meter described by subsection (b) of Section 16-108.5 of
16 this Act.

17 (2) For eligible customers whose electric service has
18 not been declared competitive pursuant to Section 16-113
19 of this Act as of July 1, 2011 and whose electric delivery
20 service is provided and measured on a kilowatt demand
21 basis and electric supply service is not provided based on
22 hourly pricing, this shall typically be accomplished
23 through use of a dual channel meter capable of measuring
24 the flow of electricity both into and out of the
25 customer's facility at the same rate and ratio. If such
26 customer's existing electric revenue meter does not meet

1 this requirement, then the electricity provider shall
2 arrange for the local electric utility or a meter service
3 provider to install and maintain a new revenue meter at
4 the electricity provider's expense, which may be the smart
5 meter described by subsection (b) of Section 16-108.5 of
6 this Act.

7 (3) For all other eligible customers, until such time
8 as the local electric utility installs a smart meter, as
9 described by subsection (b) of Section 16-108.5 of this
10 Act, the electricity provider may arrange for the local
11 electric utility or a meter service provider to install
12 and maintain metering equipment capable of measuring the
13 flow of electricity both into and out of the customer's
14 facility at the same rate and ratio, typically through the
15 use of a dual channel meter. If the eligible customer's
16 existing electric revenue meter does not meet this
17 requirement, then the costs of installing such equipment
18 shall be paid for by the customer.

19 (d) An electricity provider shall measure and charge or
20 credit for the net electricity supplied to eligible customers
21 or provided by eligible customers whose electric service has
22 not been declared competitive pursuant to Section 16-113 of
23 this Act as of July 1, 2011 and whose electric delivery service
24 is provided and measured on a kilowatt-hour basis and electric
25 supply service is not provided based on hourly pricing in the
26 following manner:

1 (1) If the amount of electricity used by the customer
2 during the billing period exceeds the amount of
3 electricity produced by the customer, the electricity
4 provider shall charge the customer for the net electricity
5 supplied to and used by the customer as provided in
6 subsection (e-5) of this Section.

7 (2) If the amount of electricity produced by a
8 customer during the billing period exceeds the amount of
9 electricity used by the customer during that billing
10 period, the electricity provider supplying that customer
11 shall apply a 1:1 kilowatt-hour credit to a subsequent
12 bill for service to the customer for the net electricity
13 supplied to the electricity provider. The electricity
14 provider shall continue to carry over any excess
15 kilowatt-hour credits earned and apply those credits to
16 subsequent billing periods to offset any
17 customer-generator consumption in those billing periods
18 until all credits are used or until the end of the
19 annualized period.

20 (3) At the end of the year or annualized over the
21 period that service is supplied by means of net metering,
22 or in the event that the retail customer terminates
23 service with the electricity provider prior to the end of
24 the year or the annualized period, any remaining credits
25 in the customer's account shall expire.

26 (d-5) An electricity provider shall measure and charge or

1 credit for the net electricity supplied to eligible customers
2 or provided by eligible customers whose electric service has
3 not been declared competitive pursuant to Section 16-113 of
4 this Act as of July 1, 2011 and whose electric delivery service
5 is provided and measured on a kilowatt-hour basis and electric
6 supply service is provided based on hourly pricing or time of
7 use rates in the following manner:

8 (1) If the amount of electricity used by the customer
9 during any hourly period or time of use period exceeds the
10 amount of electricity produced by the customer, the
11 electricity provider shall charge the customer for the net
12 electricity supplied to and used by the customer according
13 to the terms of the contract or tariff to which the same
14 customer would be assigned to or be eligible for if the
15 customer was not a net metering customer.

16 (2) If the amount of electricity produced by a
17 customer during any hourly period or time of use period
18 exceeds the amount of electricity used by the customer
19 during that hourly period or time of use period, the
20 energy provider shall apply a credit for the net
21 kilowatt-hours produced in such period. The credit shall
22 consist of an energy credit and a delivery service credit.
23 The energy credit shall be valued at the same price per
24 kilowatt-hour as the electric service provider would
25 charge for kilowatt-hour energy sales during that same
26 hourly period or time of use period. The delivery credit

1 shall be equal to the net kilowatt-hours produced in such
2 hourly period or time of use period times a credit that
3 reflects all kilowatt-hour based charges in the customer's
4 electric service rate, excluding energy charges.

5 (e) An electricity provider shall measure and charge or
6 credit for the net electricity supplied to eligible customers
7 whose electric service has not been declared competitive
8 pursuant to Section 16-113 of this Act as of July 1, 2011 and
9 whose electric delivery service is provided and measured on a
10 kilowatt demand basis and electric supply service is not
11 provided based on hourly pricing in the following manner:

12 (1) If the amount of electricity used by the customer
13 during the billing period exceeds the amount of
14 electricity produced by the customer, then the electricity
15 provider shall charge the customer for the net electricity
16 supplied to and used by the customer as provided in
17 subsection (e-5) of this Section. The customer shall
18 remain responsible for all taxes, fees, and utility
19 delivery charges that would otherwise be applicable to the
20 net amount of electricity used by the customer.

21 (2) If the amount of electricity produced by a
22 customer during the billing period exceeds the amount of
23 electricity used by the customer during that billing
24 period, then the electricity provider supplying that
25 customer shall apply a 1:1 kilowatt-hour credit that
26 reflects the kilowatt-hour based charges in the customer's

1 electric service rate to a subsequent bill for service to
2 the customer for the net electricity supplied to the
3 electricity provider. The electricity provider shall
4 continue to carry over any excess kilowatt-hour credits
5 earned and apply those credits to subsequent billing
6 periods to offset any customer-generator consumption in
7 those billing periods until all credits are used or until
8 the end of the annualized period.

9 (3) At the end of the year or annualized over the
10 period that service is supplied by means of net metering,
11 or in the event that the retail customer terminates
12 service with the electricity provider prior to the end of
13 the year or the annualized period, any remaining credits
14 in the customer's account shall expire.

15 (e-5) An electricity provider shall provide electric
16 service to eligible customers who utilize net metering at
17 non-discriminatory rates that are identical, with respect to
18 rate structure, retail rate components, and any monthly
19 charges, to the rates that the customer would be charged if not
20 a net metering customer. An electricity provider shall not
21 charge net metering customers any fee or charge or require
22 additional equipment, insurance, or any other requirements not
23 specifically authorized by interconnection standards
24 authorized by the Commission, unless the fee, charge, or other
25 requirement would apply to other similarly situated customers
26 who are not net metering customers. The customer will remain

1 responsible for all taxes, fees, and utility delivery charges
2 that would otherwise be applicable to the net amount of
3 electricity used by the customer. Subsections (c) through (e)
4 of this Section shall not be construed to prevent an
5 arms-length agreement between an electricity provider and an
6 eligible customer that sets forth different prices, terms, and
7 conditions for the provision of net metering service,
8 including, but not limited to, the provision of the
9 appropriate metering equipment for non-residential customers.

10 (f) Notwithstanding the requirements of subsections (c)
11 through (e-5) of this Section, an electricity provider must
12 require dual-channel metering for customers operating eligible
13 renewable electrical generating facilities with a nameplate
14 rating up to 2,000 kilowatts and to whom the provisions of
15 neither subsection (d), (d-5), nor (e) of this Section apply.
16 In such cases, electricity charges and credits shall be
17 determined as follows:

18 (1) The electricity provider shall assess and the
19 customer remains responsible for all taxes, fees, and
20 utility delivery charges that would otherwise be
21 applicable to the gross amount of kilowatt-hours supplied
22 to the eligible customer by the electricity provider.

23 (2) Each month that service is supplied by means of
24 dual-channel metering, the electricity provider shall
25 compensate the eligible customer for any excess
26 kilowatt-hour credits at the electricity provider's

1 avoided cost of electricity supply over the monthly period
2 or as otherwise specified by the terms of a power-purchase
3 agreement negotiated between the customer and electricity
4 provider.

5 (3) For all eligible net metering customers taking
6 service from an electricity provider under contracts or
7 tariffs employing hourly or time of use rates, any monthly
8 consumption of electricity shall be calculated according
9 to the terms of the contract or tariff to which the same
10 customer would be assigned to or be eligible for if the
11 customer was not a net metering customer. When those same
12 customer-generators are net generators during any discrete
13 hourly or time of use period, the net kilowatt-hours
14 produced shall be valued at the same price per
15 kilowatt-hour as the electric service provider would
16 charge for retail kilowatt-hour sales during that same
17 time of use period.

18 (g) For purposes of federal and State laws providing
19 renewable energy credits or greenhouse gas credits, the
20 eligible customer shall be treated as owning and having title
21 to the renewable energy attributes, renewable energy credits,
22 and greenhouse gas emission credits related to any electricity
23 produced by the qualified generating unit. The electricity
24 provider may not condition participation in a net metering
25 program on the signing over of a customer's renewable energy
26 credits; provided, however, this subsection (g) shall not be

1 construed to prevent an arms-length agreement between an
2 electricity provider and an eligible customer that sets forth
3 the ownership or title of the credits.

4 (h) Within 120 days after the effective date of this
5 amendatory Act of the 95th General Assembly, the Commission
6 shall establish standards for net metering and, if the
7 Commission has not already acted on its own initiative,
8 standards for the interconnection of eligible renewable
9 generating equipment to the utility system. The
10 interconnection standards shall address any procedural
11 barriers, delays, and administrative costs associated with the
12 interconnection of customer-generation while ensuring the
13 safety and reliability of the units and the electric utility
14 system. The Commission shall consider the Institute of
15 Electrical and Electronics Engineers (IEEE) Standard 1547 and
16 the issues of (i) reasonable and fair fees and costs, (ii)
17 clear timelines for major milestones in the interconnection
18 process, (iii) nondiscriminatory terms of agreement, and (iv)
19 any best practices for interconnection of distributed
20 generation.

21 (i) Within 90 days of the effective date of this
22 amendatory Act of the 102nd General Assembly, the Commission
23 shall: ~~All electricity providers shall begin to offer net~~
24 ~~metering no later than April 1, 2008.~~

25 (1) establish an Interconnection Working Group. The
26 working group shall include representatives from electric

1 utilities, developers of renewable electric generating
2 facilities, other industries that regularly apply for
3 interconnection with the electric utilities,
4 representatives of distributed generation customers, the
5 Commission Staff and such other stakeholders with a
6 substantial interest in the topics addressed by the
7 working group. The working group shall address at least
8 the following issues:

9 (A) cost and best available technology for
10 interconnection and metering, including the
11 standardization and publication of standard costs;

12 (B) transparency, accuracy and use of the
13 distribution interconnection queue and hosting
14 capacity maps;

15 (C) distribution system upgrade cost avoidance
16 through use of advanced inverter functions;

17 (D) predictability of the queue management process
18 and enforcement of timelines;

19 (E) benefits and challenges associated with group
20 studies and cost sharing;

21 (F) minimum requirements for application to the
22 interconnection process and throughout the
23 interconnection process to avoid queue clogging
24 behavior;

25 (G) process and customer service for
26 interconnecting customers adopting distributed energy

1 resources, including energy storage;

2 (H) options for metering distributed energy

3 resources, including energy storage;

4 (I) interconnection of new technologies, including

5 smart inverters and energy storage; and

6 (K) without limitation, such other technical,

7 policy, and tariff issues related to and affecting

8 interconnection performance and customer service, as

9 determined by the working group.

10 The Commission may create working group subcommittees

11 of the working group to focus on specific issues of

12 importance, as appropriate. The working group shall report

13 to the Commission on recommended improvements to

14 interconnection rules and tariffs and policies as

15 determined by the working group at least every 6 months.

16 Such reports shall include consensus recommendations of

17 the working group and, if applicable, additional

18 recommendations for which consensus was not reached. The

19 Commission shall use the report from the working group to

20 determine whether processes should be commenced to

21 formally codify or implement the recommendations;

22 (2) create or contract for an Ombudsman to resolve

23 disputes through non-binding arbitration. The Ombudsman

24 shall be paid in full or in part through fees levied on the

25 initiators of the dispute; and

26 (3) determine a single standardized cost for Level 1

1 interconnections that shall not exceed \$200.

2 (j) An electricity provider shall provide net metering to
3 eligible customers according to subsections (d), (d-5), and
4 (e) until December 31, 2024 ~~the load of its net metering~~
5 ~~customers equals 5% of the total peak demand supplied by that~~
6 ~~electricity provider during the previous year. After such time~~
7 ~~as the load of the electricity provider's net metering~~
8 ~~customers equals 5% of the total peak demand supplied by that~~
9 ~~electricity provider during the previous year, eligible~~
10 ~~customers that begin taking net metering shall only be~~
11 ~~eligible for netting of energy. An eligible customer according~~
12 to subsections (d), (d-5), and (e) that registered for net
13 metering before December 31, 2024 shall be allowed to stay
14 under the tariff for the lifetime of the system. After
15 December 31, 2024 any eligible customer that applies for net
16 metering shall only be eligible for net metering as described
17 in subsection (n).

18 (k) Each electricity provider shall maintain records and
19 report annually to the Commission the total number of net
20 metering customers served by the provider, as well as the
21 type, capacity, and energy sources of the generating systems
22 used by the net metering customers. Nothing in this Section
23 shall limit the ability of an electricity provider to request
24 the redaction of information deemed by the Commission to be
25 confidential business information.

26 (1)(1) Notwithstanding the definition of "eligible

1 customer" in item (ii) of subsection (b) of this Section,
2 each electricity provider shall allow net metering as set
3 forth in this subsection (1) and for the following
4 projects, provided that only electric utilities shall
5 provide net metering for subparagraph (C) of this
6 paragraph (1):

7 (A) properties owned or leased by multiple
8 customers that contribute to the operation of an
9 eligible renewable electrical generating facility
10 through an ownership or leasehold interest of at least
11 200 watts in such facility, such as a community-owned
12 wind project, a community-owned biomass project, a
13 community-owned solar project, or a community methane
14 digester processing livestock waste from multiple
15 sources, provided that the facility is also located
16 within the utility's service territory;

17 (B) individual units, apartments, or properties
18 located in a single building that are owned or leased
19 by multiple customers and collectively served by a
20 common eligible renewable electrical generating
21 facility, such as an office or apartment building, a
22 shopping center or strip mall served by photovoltaic
23 panels on the roof; and

24 (C) subscriptions to community renewable
25 generation projects.

26 In addition, the nameplate capacity of the eligible

1 renewable electric generating facility that serves the
2 demand of the properties, units, or apartments identified
3 in paragraphs (1) and (2) of this subsection (1) shall not
4 exceed 2,000 kilowatts in nameplate capacity in total. Any
5 eligible renewable electrical generating facility or
6 community renewable generation project that is powered by
7 photovoltaic electric energy and installed after the
8 effective date of this amendatory Act of the 99th General
9 Assembly must be installed by a qualified person in
10 compliance with the requirements of Section 16-128A of the
11 Public Utilities Act and any rules or regulations adopted
12 thereunder.

13 (2) Notwithstanding anything to the contrary and
14 regardless of whether a subscriber receives power and
15 energy service from the electric utility or an alternative
16 retail electric supplier, the electric utility ~~an~~
17 electricity provider shall provide the monetary credits to
18 a subscriber's subsequent bill for the electricity
19 produced by community renewable generation projects ~~the~~
20 ~~projects described in paragraph (1) of this subsection~~
21 ~~(1)~~. The electric utility ~~electricity provider~~ shall
22 provide monetary credits to a subscriber's subsequent bill
23 at the utility's total price to compare ~~subscriber's~~
24 ~~energy supply rate~~ on the subscriber's monthly bill equal
25 to the subscriber's share of the production of electricity
26 from the project, as determined by paragraph (3) of this

1 subsection (1). For the purposes of this subsection,
2 "total price to compare" means the rate or rates published
3 by the Illinois Commerce Commission for energy supply for
4 eligible customers receiving supply service from the
5 electric utility, and includes energy, capacity,
6 transmission, and the purchased energy adjustment.
7 Notwithstanding anything to the contrary, customers on
8 payment plans or participating in budget billing programs
9 shall have credits applied on a monthly basis. Any
10 applicable credit or reduction in load obligation from the
11 production of the community renewable generating projects
12 receiving a credit under this subsection shall be credited
13 to the electric utility to offset the cost of providing
14 the credit. To the extent that the credit or load
15 obligation reduction does not completely offset the cost
16 of providing the credit to subscribers of community
17 renewable generation projects as described in this
18 subsection the electric utility may recover the remaining
19 costs through the process established in Section 16-111.8.

20 (3) If requested by the owner or operator of a
21 community renewable generating project, an electric
22 utility shall enter into a net crediting agreement with
23 the owner or operator to include a subscriber's
24 subscription fee on the subscriber's monthly electric bill
25 and provide the subscriber with a net credit equivalent to
26 the total bill credit value for that generation period

1 minus the subscription fee, provided the subscription fee
2 is structured as a fixed percentage of bill credit value.
3 The net crediting agreement shall set forth payment terms
4 from the electric utility to the owner or operator of the
5 community renewable generating project, and the electric
6 utility may charge a net crediting fee to the owner or
7 operator of a community renewable generating project that
8 may not exceed 1% of the bill credit value.

9 (4) ~~(3)~~ For the purposes of facilitating net metering,
10 the owner or operator of the eligible renewable electrical
11 generating facility or community renewable generation
12 project shall be responsible for determining the amount of
13 the credit that each customer or subscriber participating
14 in a project under this subsection (1) is to receive in the
15 following manner:

16 (A) The owner or operator shall, on a monthly
17 basis, provide to the electric utility the
18 kilowatthours of generation attributable to each of
19 the utility's retail customers and subscribers
20 participating in projects under this subsection (1) in
21 accordance with the customer's or subscriber's share
22 of the eligible renewable electric generating
23 facility's or community renewable generation project's
24 output of power and energy for such month. The owner or
25 operator shall electronically transmit such
26 calculations and associated documentation to the

1 electric utility, in a format or method set forth in
2 the applicable tariff, on a monthly basis so that the
3 electric utility can reflect the monetary credits on
4 customers' and subscribers' electric utility bills.
5 The electric utility shall be permitted to revise its
6 tariffs to implement the provisions of this amendatory
7 Act of the 102nd ~~99th~~ General Assembly. The owner or
8 operator shall separately provide the electric utility
9 with the documentation detailing the calculations
10 supporting the credit in the manner set forth in the
11 applicable tariff.

12 (B) For those participating customers in projects
13 described in subparagraphs (A) and (B) of this
14 paragraph (4) of subsection (1) ~~and subscribers~~ who
15 receive their energy supply from an alternative retail
16 electric supplier, the electric utility shall remit to
17 the applicable alternative retail electric supplier
18 the information provided under subparagraph (A) of
19 this paragraph (3) for such customers ~~and subscribers~~
20 in a manner set forth in such alternative retail
21 electric supplier's net metering program, or as
22 otherwise agreed between the utility and the
23 alternative retail electric supplier. The alternative
24 retail electric supplier shall then submit to the
25 utility the amount of the charges for power and energy
26 to be applied to such customers ~~and subscribers,~~

1 including the amount of the credit associated with net
2 metering.

3 (C) A participating customer or subscriber may
4 provide authorization as required by applicable law
5 that directs the electric utility to submit
6 information to the owner or operator of the eligible
7 renewable electrical generating facility or community
8 renewable generation project to which the customer or
9 subscriber has an ownership or leasehold interest or a
10 subscription. Such information shall be limited to the
11 components of the net metering credit calculated under
12 this subsection (1), including the bill credit rate,
13 total kilowatthours, and total monetary credit value
14 applied to the customer's or subscriber's bill for the
15 monthly billing period.

16 (1-5) Within 90 days after the effective date of this
17 amendatory Act of the 102nd ~~99th~~ General Assembly, each
18 electric utility subject to this Section shall file a tariff
19 or tariffs to implement the provisions of subsection (1) of
20 this Section, which shall, consistent with the provisions of
21 subsection (1), describe the terms and conditions under which
22 owners or operators of qualifying properties, units, or
23 apartments may participate in net metering. The Commission
24 shall approve, or approve with modification, the tariff within
25 120 days after the effective date of this amendatory Act of the
26 102nd ~~99th~~ General Assembly.

1 (m) Nothing in this Section shall affect the right of an
2 electricity provider to continue to provide, or the right of a
3 retail customer to continue to receive service pursuant to a
4 contract for electric service between the electricity provider
5 and the retail customer in accordance with the prices, terms,
6 and conditions provided for in that contract. Either the
7 electricity provider or the customer may require compliance
8 with the prices, terms, and conditions of the contract.

9 (n) After December 31, 2024 ~~At such time, if any, that the~~
10 ~~load of the electricity provider's net metering customers~~
11 ~~equals 5% of the total peak demand supplied by that~~
12 ~~electricity provider during the previous year, as specified in~~
13 ~~subsection (j) of this Section,~~ the net metering services
14 described in subsections (d), (d-5), and (e), ~~(e-5), and (f)~~
15 of this Section shall no longer be offered, except as to those
16 retail customers that are receiving net metering service under
17 these subsections at the time the net metering services under
18 those subsections are no longer offered whom shall continue to
19 receive net metering services described in subsections (d),
20 (d-5), and (e) of this Section for lifetime of system,
21 regardless of if those retail customers change electricity
22 providers. The electricity utility is responsible for ensuring
23 billing credits continue without lapse for the lifetime of
24 systems, as required in subsection (o). Those retail customers
25 that begin taking net metering service after the date that net
26 metering services are no longer offered under such subsections

1 shall be subject to the provisions set forth in the following
2 paragraphs (1) through (3) of this subsection (n):

3 (1) An electricity provider shall charge or credit for
4 the net electricity supplied to eligible customers or
5 provided by eligible customers whose electric supply
6 service is not provided based on hourly pricing in the
7 following manner:

8 (A) If the amount of electricity used by the
9 customer during the monthly billing period exceeds the
10 amount of electricity produced by the customer, then
11 the electricity provider shall charge the customer for
12 the net kilowatt-hour based electricity charges
13 reflected in the customer's electric service rate
14 supplied to and used by the customer as provided in
15 paragraph (3) of this subsection (n).

16 (B) If the amount of electricity produced by a
17 customer during the monthly billing period exceeds the
18 amount of electricity used by the customer during that
19 billing period, then the electricity provider
20 supplying that customer shall apply a monetary 1:1
21 ~~kilowatt-hour energy~~ credit equivalent to the kilowatt
22 hour supply charges to the customer's subsequent bill.
23 For the purposes of this subsection, "kilowatt-hour
24 supply charges" means the kilowatt-hour equivalent
25 values for energy, capacity, transmission, and the
26 purchased energy adjustment, if applicable.

1 ~~Notwithstanding anything to the contrary, customers on~~
2 ~~payment plans or participating in budget billing~~
3 ~~programs shall have credits applied on a monthly basis~~
4 ~~that reflects the kilowatt-hour based energy charges~~
5 ~~in the customer's electric service rate to a~~
6 ~~subsequent bill for service to the customer for the~~
7 ~~net electricity supplied to the electricity provider.~~
8 The electricity provider shall continue to carry over
9 any excess monetary ~~kilowatt-hour~~ energy credits
10 earned and apply those credits to subsequent billing
11 periods ~~to offset any customer-generator consumption~~
12 ~~in those billing periods until all credits are used or~~
13 ~~until the end of the annualized period.~~

14 (C) (Blank). ~~At the end of the year or annualized~~
15 ~~over the period that service is supplied by means of~~
16 ~~net metering, or in the event that the retail customer~~
17 ~~terminates service with the electricity provider prior~~
18 ~~to the end of the year or the annualized period, any~~
19 ~~remaining credits in the customer's account shall~~
20 ~~expire.~~

21 (2) An electricity provider shall charge or credit for
22 the net electricity supplied to eligible customers or
23 provided by eligible customers whose electric supply
24 service is provided based on hourly pricing in the
25 following manner:

26 (A) If the amount of electricity used by the

1 customer during any hourly period exceeds the amount
2 of electricity produced by the customer, then the
3 electricity provider shall charge the customer for the
4 net electricity supplied to and used by the customer
5 as provided in paragraph (3) of this subsection (n).

6 (B) If the amount of electricity produced by a
7 customer during any hourly period exceeds the amount
8 of electricity used by the customer during that hourly
9 period, the energy provider shall calculate an energy
10 credit for the net kilowatt-hours produced in such
11 period, and shall apply that credit as a monetary
12 credit to the customer's subsequent bill. The value of
13 the energy credit shall be calculated using the same
14 price per kilowatt-hour as the electric service
15 provider would charge for kilowatt-hour energy sales
16 during that same hourly period, and shall also include
17 values for capacity, and transmission.

18 (3) An electricity provider shall provide electric
19 service to eligible customers who utilize net metering at
20 non-discriminatory rates that are identical, with respect
21 to rate structure, retail rate components, and any monthly
22 charges, to the rates that the customer would be charged
23 if not a net metering customer. An electricity provider
24 shall charge the customer for the net electricity supplied
25 to and used by the customer according to the terms of the
26 contract or tariff to which the same customer would be

1 assigned or be eligible for if the customer was not a net
2 metering customer. An electricity provider shall not
3 charge net metering customers any fee or charge or require
4 additional equipment, insurance, or any other requirements
5 not specifically authorized by interconnection standards
6 authorized by the Commission, unless the fee, charge, or
7 other requirement would apply to other similarly situated
8 customers who are not net metering customers. ~~The charge~~
9 ~~or credit that the customer receives for net electricity~~
10 ~~shall be at a rate equal to the customer's energy supply~~
11 ~~rate.~~ The customer remains responsible for the gross
12 amount of delivery services charges, supply-related
13 charges that are kilowatt based, and all taxes and fees
14 related to such charges. The customer also remains
15 responsible for all taxes and fees that would otherwise be
16 applicable to the net amount of electricity used by the
17 customer. Paragraphs (1) and (2) of this subsection (n)
18 shall not be construed to prevent an arms-length agreement
19 between an electricity provider and an eligible customer
20 that sets forth different prices, terms, and conditions
21 for the provision of net metering service, including, but
22 not limited to, the provision of the appropriate metering
23 equipment for non-residential customers. Nothing in this
24 paragraph (3) shall be interpreted to mandate that a
25 utility that is only required to provide delivery services
26 to a given customer must also sell electricity to such

1 customer.

2 (o) Within 90 days after the effective date of this
3 amendatory Act of the 102nd General Assembly, each electric
4 utility subject to this Section and Section 16-107.5 shall
5 file a tariff which shall, consistent with the provisions of
6 this Section, propose the terms and conditions under which a
7 customer may participate in net metering. The tariff shall
8 also provide a streamlined and transparent bill crediting
9 system for net metering to be managed by the electric
10 utilities. The terms and conditions shall include, but are not
11 limited to, that an electricity utility shall manage and
12 maintain billing of net metering credits and charges
13 regardless of if the eligible customer takes net metering
14 under electricity utility or alternative retail electricity
15 supplier. The electricity utility will process and approve all
16 net metering applications, even if an eligible customer is
17 served by an alternative retail electricity supplier; and the
18 utility will forward application approval to the appropriate
19 alternative retail electricity supplier. Eligibility for net
20 metering shall remain with the owner of the utility billing
21 address such that if a premise changes ownership the net
22 metering eligibility transfers to the new owner. The
23 electricity utility will manage net metering billing for
24 eligible customers to ensure full crediting occurs on
25 electricity bills, including but not limited to ensuring net
26 metering crediting begins upon commercial operation date, net

1 metering billing transfers immediately if an eligible customer
2 switches from an electricity utility to alternative retail
3 electricity supplier or vice versa, and net metering billing
4 transfers between ownership of a valid billing address. This
5 includes transfer of all banked credits.

6 (Source: P.A. 99-906, eff. 6-1-17.)

7 (220 ILCS 5/16-107.6)

8 Sec. 16-107.6. Distributed generation rebate.

9 (a) In this Section:

10 "Additive grid services" means the services, as determined
11 by the Commission, that distributed generation provides the
12 grid in addition to system-wide grid services. Additive grid
13 services may include geographic, locational, geographic,
14 time-based, and performance-based benefits, technological
15 capabilities and present and future grid needs.

16 "Energy storage system" means commercially available
17 technology that is capable of absorbing energy and storing it
18 for a period of time for use at a later time including but not
19 limited to electrochemical, thermal, and electromechanical
20 technologies and may be interconnected behind the customer's
21 meter or interconnected behind its own meter.

22 "Nameplate capacity" means the kilowatt-hour of rated AC
23 capacity of the installed system.

24 "Smart inverter" means a device that converts direct
25 current into alternating current and can autonomously

1 contribute to grid support during excursions from normal
2 operating voltage and frequency conditions by providing each
3 of the following: dynamic reactive and real power support,
4 voltage and frequency ride-through, ramp rate controls, and
5 communication systems with ability to accept external
6 ~~commands, and other functions from the electric utility.~~

7 "Subscriber" has the meaning set forth in Section 1-10 of
8 the Illinois Power Agency Act.

9 "Subscription" has the meaning set forth in Section 1-10
10 of the Illinois Power Agency Act.

11 "System-wide grid services" means the basic services a
12 distributed generation project that installs a smart inverter
13 provides to the grid for a minimum of 25 years. Those basic
14 services are delineated in the definition of smart inverter
15 above.

16 "Threshold date" means December 31, 2024 ~~the date on which~~
17 ~~the load of an electricity provider's net metering customers~~
18 ~~equals 5% of the total peak demand supplied by that~~
19 ~~electricity provider during the previous year, as specified~~
20 ~~under subsection (j) of Section 16-107.5 of this Act.~~

21 (b) An electric utility that serves more than 200,000
22 customers in the State shall file a petition with the
23 Commission requesting approval of the utility's tariff to
24 provide a rebate to the owner or operator of a retail customer
25 ~~who owns or operates~~ distributed generation, including
26 third-party owned systems, that meets the following criteria:

1 (1) has a nameplate generating capacity no greater
2 than 5,000 ~~2,000~~ kilowatts and is primarily used to offset
3 that customer's electricity load;

4 (2) is located on the customer's premises, for the
5 customer's own use, and not for commercial use or sales,
6 including, but not limited to, wholesale sales of electric
7 power and energy;

8 (3) is located in the electric utility's service
9 territory; and

10 (4) is interconnected under rules adopted by the
11 Commission by means of the inverter or smart inverter
12 required by this Section, as applicable.

13 For purposes of this Section, "distributed generation"
14 shall satisfy the definition of distributed renewable energy
15 generation device set forth in Section 1-10 of the Illinois
16 Power Agency Act to the extent such definition is consistent
17 with the requirements of this Section.

18 In addition, any new photovoltaic distributed generation
19 that is installed after the effective date of this amendatory
20 Act of the 99th General Assembly must be installed by a
21 qualified person, as defined by subsection (i) of Section 1-56
22 of the Illinois Power Agency Act.

23 The tariff shall include a base payment for system-wide
24 grid services and an additional payment for additive grid
25 services. The tariff shall provide that the base payment as
26 outlined in (c) below is in exchange for system-wide grid

1 services, and that the utility shall be permitted to send
2 signals to utilize ~~operate and control~~ the smart inverter
3 associated with the distributed generation that receives a
4 base payment ~~is the subject of the rebate~~ for the purpose of
5 preserving reliability during distribution system reliability
6 events. The tariff ~~and~~ shall address the terms and conditions
7 of the operation and the compensation associated with the
8 operation. Nothing in this Section shall negate or supersede
9 Institute of Electrical and Electronics Engineers
10 interconnection requirements or standards or other similar
11 standards or requirements. The tariff shall also provide for
12 additive grid services ~~additional uses of the smart inverter~~
13 that shall be separately compensated from system-wide grid
14 services. Such additive grid services ~~and which~~ may include,
15 but are not limited to, voltage and VAR support, voltage watt,
16 frequency watt, ~~regulation,~~ and other grid services. As part
17 of the proceeding described in subsection (e) of this Section,
18 the Commission shall review and determine whether smart
19 inverters can provide any additive grid ~~additional uses or~~
20 services. If the Commission determines that an additive grid
21 ~~additional use or~~ service would be beneficial, the Commission
22 shall determine the terms and conditions of the operation of
23 such additive grid service and shall approve the value of such
24 additive grid service ~~and how the use or service should be~~
25 ~~separately compensated.~~

26 (c) The proposed tariff authorized by subsection (b) of

1 this Section shall include the following participation terms
2 ~~for and formulae to calculate the value of the~~ rebates to be
3 applied under this Section for distributed generation that
4 satisfies the criteria set forth in subsection (b) of this
5 Section:

6 (1) Until the utility files its tariff or tariffs to
7 place into effect the additional payment for additive grid
8 services as ~~rebate values~~ established by the Commission
9 under subsection (e) of this Section, the owner or
10 operator of distributed generation that services
11 ~~non-residential customers that are taking service under a~~
12 ~~net metering program offered by an electricity provider~~
13 ~~under the terms of Section 16-107.5 of this Act~~ may apply
14 for a rebate as provided for in this Section. The value of
15 the base payment ~~rebate~~ shall be \$250 per kilowatt of
16 nameplate generating capacity, measured as nominal DC
17 power output, of a non-residential customer's distributed
18 generation. After the utility files a tariff or tariffs
19 making the additional payment for additive grid services
20 as established under subsection (e) of this Section,
21 non-residential customers may apply for a rebate in the
22 amount of the base payment as outlined in this Section and
23 may opt to apply for the additional payment for additive
24 grid services if the system chooses to provide such
25 services. To the extent the distributed generation system
26 also has a storage device as part of the system, and said

1 storage uses the same smart inverter as the distributed
2 generation, then the storage shall be separately
3 compensated at a base payment of \$350 per kilowatt-hour of
4 nameplate capacity.

5 (2) After the threshold date and until December 31,
6 2029, the owner of distributed generation that, before the
7 threshold date, would have been eligible for net metering
8 under subsection (d), (d-5), or (e) of Section 16-107.5,
9 may apply for a rebate in the amount of the base payment
10 for system-wide grid services as provided for in this
11 Section. The value of the base payment shall be \$350 per
12 kilowatt of nameplate generating capacity, measured as
13 nominal DC power output, of the distributed generation.
14 After the utility files a tariff or tariffs making the
15 additional payment for additive grid services as
16 established under subsection (e) of this Section, owners
17 or operators may apply for a rebate in the amount of the
18 base payment as outlined in this Section, and may opt to
19 apply for the additional payment for additive grid
20 services, if the system chooses to provide such services
21 To the extent the distributed generation system also has a
22 storage device as part of the system, and said storage
23 uses the same smart inverter as the distributed
24 generation, then the storage shall be separately
25 compensated at a base payment of \$350 per kilowatt-hour of
26 nameplate capacity. ~~After the utility's tariff or tariffs~~

1 ~~setting the new rebate values established under subsection~~
2 ~~(d) of this Section take effect, retail customers may, as~~
3 ~~applicable, make the following elections:~~

4 ~~(A) Residential customers that are taking service~~
5 ~~under a net metering program offered by an electricity~~
6 ~~provider under the terms of Section 16-107.5 of this~~
7 ~~Act on the threshold date may elect to either continue~~
8 ~~to take such service under the terms of such program as~~
9 ~~in effect on such threshold date for the useful life of~~
10 ~~the customer's eligible renewable electric generating~~
11 ~~facility as defined in such Section, or file an~~
12 ~~application to receive a rebate under the terms of~~
13 ~~this Section, provided that such application must be~~
14 ~~submitted within 6 months after the effective date of~~
15 ~~the tariff approved under subsection (d) of this~~
16 ~~Section. The value of the rebate shall be the amount~~
17 ~~established by the Commission and reflected in the~~
18 ~~utility's tariff pursuant to subsection (e) of this~~
19 ~~Section.~~

20 ~~(B) Non-residential customers that are taking~~
21 ~~service under a net metering program offered by an~~
22 ~~electricity provider under the terms of Section~~
23 ~~16-107.5 of this Act on the threshold date may apply~~
24 ~~for a rebate as provided for in this Section. The value~~
25 ~~of the rebate shall be the amount established by the~~
26 ~~Commission and reflected in the utility's tariff~~

1 ~~pursuant to subsection (c) of this Section.~~

2 (3) Upon approval of a rebate application submitted
3 under this subsection (c), the retail customer shall no
4 longer be entitled to receive any delivery service credits
5 for the excess electricity generated by its facility and
6 shall be subject to the provisions of subsection (n) of
7 Section 16-107.5 of this Act.

8 (4) To be eligible for a rebate described in this
9 subsection (c), the owner or operator of the distributed
10 generation ~~customers who begin taking service after the~~
11 ~~effective date of this amendatory Act of the 99th General~~
12 ~~Assembly under a net metering program offered by an~~
13 ~~electricity provider under the terms of Section 16-107.5~~
14 ~~of this Act~~ must have a smart inverter installed and in
15 operation on the ~~associated with the customer's~~
16 distributed generation.

17 (d) The Commission shall review the proposed tariff
18 submitted under subsections (b) and (c) of this Section and
19 may make changes to the tariff that are consistent with this
20 Section and with the Commission's authority under Article IX
21 of this Act, subject to notice and hearing. Following notice
22 and hearing, the Commission shall issue an order approving, or
23 approving with modification, such tariff no later than 240
24 days after the utility files its tariff. Upon the effective
25 date of this amendatory Act of the 102nd General Assembly, an
26 electric utility shall file a petition with the Commission to

1 amend and update any existing tariffs to comply with
2 subsections (b) and (c).

3 (e) Upon the effective date of this amendatory Act of the
4 102nd General Assembly, if ~~When the total generating capacity~~
5 ~~of the electricity provider's net metering customers is equal~~
6 ~~to 3%,~~ the Commission has not already opened an investigation,
7 it shall open an investigation into a ~~an annual~~ process and
8 formula for calculating the additional payment associated with
9 additive grid services ~~value of rebates for the retail~~
10 ~~customers described in subsections (b) and (f) of this Section~~
11 ~~that submit rebate applications after the threshold date for~~
12 ~~an electric utility that elected to file a tariff pursuant to~~
13 ~~this Section.~~ The process for identifying additive grid
14 services and the formula for calculating the additional
15 payment for those additive grid services shall be updated
16 every 5 years, and shall promote expansion of, and continuity
17 in, the distributed generation competitive market. The value
18 of the additional payment for additive grid services shall be
19 set no more frequently than annually using the established
20 process and formula established by the Commission. The
21 investigation shall include diverse sets of stakeholders,
22 calculations for valuing additive grid services distributed
23 generation provides ~~energy resource benefits~~ to the grid based
24 on best practices, and assessments of present and future
25 technological capabilities of distributed generation ~~energy~~
26 ~~resources.~~ The value of such additional payments ~~rebates~~ shall

1 reflect the value of the distributed generation to the
2 distribution system ~~at the location at which it is~~
3 ~~interconnected~~, taking into account the geographic,
4 locational, time-based, and performance-based benefits, as
5 well as technological capabilities and present and future grid
6 needs. As such, different locations within the utility
7 territory may have different additive grid services and
8 associated additional payments. The investigation shall take a
9 long-term look at the benefits and values of such additive
10 grid services. No later than 60 ~~10~~ days after the Commission
11 enters its final order under this subsection (e), the utility
12 shall file its updated tariff or tariffs in compliance with
13 the order, and the Commission shall approve, or approve with
14 modification, the tariff or tariffs within 90 ~~45~~ days after
15 the utility's filing. ~~For those rebate applications filed~~
16 ~~after the threshold date but before the utility's tariff or~~
17 ~~tariffs filed pursuant to this subsection (e) take effect, the~~
18 ~~value of the rebate shall remain at the value established in~~
19 ~~subsection (c) of this Section until the tariff is approved.~~

20 (f) Notwithstanding any provision of this Act to the
21 contrary, the owner, ~~developer, or subscriber~~ of a distributed
22 generation facility that is a community renewable energy
23 generation facility as defined in Section 1-75(c) of the
24 Illinois Power Agency Act ~~part of a net metering program~~
25 ~~provided under subsection (1) of Section 16-107.5~~ shall also
26 be eligible to apply for the rebate described in this Section.

1 ~~The owner or operator of A subscriber to~~ the generation
2 facility may apply for a rebate ~~in the amount of the~~
3 ~~subscriber's subscription~~ only if the owner or operator, or
4 previous owner or operator of the community renewable energy
5 generation facility, developer, or previous subscriber to the
6 ~~same panel or panels~~ has not already submitted an application,
7 and, regardless of whether the subscriber is a residential or
8 non-residential customer, may be allowed the amount identified
9 in paragraph (1) of subsection (c) ~~or in subsection (e) of this~~
10 ~~Section~~ applicable ~~to such customer~~ on the date that the
11 application is submitted. ~~An application for a rebate for a~~
12 ~~portion of a project described in this subsection (f) may be~~
13 ~~submitted at or after the time that a related request for net~~
14 ~~metering is made.~~

15 (g) The owner of the distributed generation may apply for
16 the tariff or tariffs approved under this Section at the time
17 of execution of an interconnection agreement with the
18 distribution utility and shall receive the value of the base
19 payment and additional payment available at that time of
20 execution of the interconnection agreement, provided the
21 project reaches mechanical completion within 24 months of
22 execution of the interconnection agreement. The utility shall
23 issue the rebate no ~~no~~ later than 60 days after the project is
24 energized ~~utility receives an application for a rebate under~~
25 ~~its tariff approved under subsection (d) or (e) of this~~
26 ~~Section, the utility shall issue a rebate to the applicant~~

1 ~~under the terms of the tariff.~~ In the event the application is
2 incomplete or the utility is otherwise unable to calculate the
3 payment based on the information provided by the owner, the
4 utility shall issue the payment no later than 60 days after the
5 application is complete or all requested information is
6 received.

7 (h) An electric utility shall recover from its retail
8 customers all of the costs of the rebates made under a tariff
9 or tariffs placed into effect under this Section, including,
10 but not limited to, the value of the rebates and all costs
11 incurred by the utility to comply with and implement this
12 Section, consistent with the following provisions:

13 (1) The utility shall defer the full amount of its
14 costs incurred under this Section as a regulatory asset.
15 The total costs deferred as a regulatory asset shall be
16 amortized over a 15-year period. The unamortized balance
17 shall be recognized as of December 31 for a given year. The
18 utility shall also earn a return on the total of the
19 unamortized balance of the regulatory assets, less any
20 deferred taxes related to the unamortized balance, at an
21 annual rate equal to the utility's weighted average cost
22 of capital that includes, based on a year-end capital
23 structure, the utility's actual cost of debt for the
24 applicable calendar year and a cost of equity, which shall
25 be calculated as the sum of (i) the average for the
26 applicable calendar year of the monthly average yields of

1 30-year U.S. Treasury bonds published by the Board of
2 Governors of the Federal Reserve System in its weekly H.15
3 Statistical Release or successor publication; and (ii) 580
4 basis points, including a revenue conversion factor
5 calculated to recover or refund all additional income
6 taxes that may be payable or receivable as a result of that
7 return.

8 When an electric utility creates a regulatory asset
9 under the provisions of this Section, the costs are
10 recovered over a period during which customers also
11 receive a benefit, which is in the public interest.
12 Accordingly, it is the intent of the General Assembly that
13 an electric utility that elects to create a regulatory
14 asset under the provisions of this Section shall recover
15 all of the associated costs, including, but not limited
16 to, its cost of capital as set forth in this Section. After
17 the Commission has approved the prudence and
18 reasonableness of the costs that comprise the regulatory
19 asset, the electric utility shall be permitted to recover
20 all such costs, and the value and recoverability through
21 rates of the associated regulatory asset shall not be
22 limited, altered, impaired, or reduced. To enable the
23 financing of the incremental capital expenditures,
24 including regulatory assets, for electric utilities that
25 serve less than 3,000,000 retail customers but more than
26 500,000 retail customers in the State, the utility's

1 actual year-end capital structure that includes a common
2 equity ratio, excluding goodwill, of up to and including
3 50% of the total capital structure shall be deemed
4 reasonable and used to set rates.

5 (2) The utility, at its election, may recover all of
6 the costs it incurs under this Section as part of a filing
7 for a general increase in rates under Article IX of this
8 Act, as part of an annual filing to update a
9 performance-based formula rate under subsection (d) of
10 Section 16-108.5 of this Act, or through an automatic
11 adjustment clause tariff, provided that nothing in this
12 paragraph (2) permits the double recovery of such costs
13 from customers. If the utility elects to recover the costs
14 it incurs under this Section through an automatic
15 adjustment clause tariff, the utility may file its
16 proposed tariff together with the tariff it files under
17 subsection (b) of this Section or at a later time. The
18 proposed tariff shall provide for an annual
19 reconciliation, less any deferred taxes related to the
20 reconciliation, with interest at an annual rate of return
21 equal to the utility's weighted average cost of capital as
22 calculated under paragraph (1) of this subsection (h),
23 including a revenue conversion factor calculated to
24 recover or refund all additional income taxes that may be
25 payable or receivable as a result of that return, of the
26 revenue requirement reflected in rates for each calendar

1 year, beginning with the calendar year in which the
2 utility files its automatic adjustment clause tariff under
3 this subsection (h), with what the revenue requirement
4 would have been had the actual cost information for the
5 applicable calendar year been available at the filing
6 date. The Commission shall review the proposed tariff and
7 may make changes to the tariff that are consistent with
8 this Section and with the Commission's authority under
9 Article IX of this Act, subject to notice and hearing.
10 Following notice and hearing, the Commission shall issue
11 an order approving, or approving with modification, such
12 tariff no later than 240 days after the utility files its
13 tariff.

14 (i) No later than 90 days after the Commission enters an
15 order, or order on rehearing, whichever is later, approving an
16 electric utility's proposed tariff under ~~subsection (d) of~~
17 this Section, the electric utility shall provide notice of the
18 availability of rebates under this Section. ~~Subsequent to the~~
19 ~~utility's notice, any entity that offers in the State, for~~
20 ~~sale or lease, distributed generation and estimates the dollar~~
21 ~~saving attributable to such distributed generation shall~~
22 ~~provide estimates based on both delivery service credits and~~
23 ~~the rebates available under this Section.~~

24 (Source: P.A. 99-906, eff. 6-1-17.)

1 Sec. 16-108. Recovery of costs associated with the
2 provision of delivery and other services.

3 (a) An electric utility shall file a delivery services
4 tariff with the Commission at least 210 days prior to the date
5 that it is required to begin offering such services pursuant
6 to this Act. An electric utility shall provide the components
7 of delivery services that are subject to the jurisdiction of
8 the Federal Energy Regulatory Commission at the same prices,
9 terms and conditions set forth in its applicable tariff as
10 approved or allowed into effect by that Commission. The
11 Commission shall otherwise have the authority pursuant to
12 Article IX to review, approve, and modify the prices, terms
13 and conditions of those components of delivery services not
14 subject to the jurisdiction of the Federal Energy Regulatory
15 Commission, including the authority to determine the extent to
16 which such delivery services should be offered on an unbundled
17 basis. In making any such determination the Commission shall
18 consider, at a minimum, the effect of additional unbundling on
19 (i) the objective of just and reasonable rates, (ii) electric
20 utility employees, and (iii) the development of competitive
21 markets for electric energy services in Illinois.

22 (b) The Commission shall enter an order approving, or
23 approving as modified, the delivery services tariff no later
24 than 30 days prior to the date on which the electric utility
25 must commence offering such services. The Commission may
26 subsequently modify such tariff pursuant to this Act.

1 (c) The electric utility's tariffs shall define the
2 classes of its customers for purposes of delivery services
3 charges. Delivery services shall be priced and made available
4 to all retail customers electing delivery services in each
5 such class on a nondiscriminatory basis regardless of whether
6 the retail customer chooses the electric utility, an affiliate
7 of the electric utility, or another entity as its supplier of
8 electric power and energy. Charges for delivery services shall
9 be cost based, and shall allow the electric utility to recover
10 the costs of providing delivery services through its charges
11 to its delivery service customers that use the facilities and
12 services associated with such costs. Such costs shall include
13 the costs of owning, operating and maintaining transmission
14 and distribution facilities. The Commission shall also be
15 authorized to consider whether, and if so to what extent, the
16 following costs are appropriately included in the electric
17 utility's delivery services rates: (i) the costs of that
18 portion of generation facilities used for the production and
19 absorption of reactive power in order that retail customers
20 located in the electric utility's service area can receive
21 electric power and energy from suppliers other than the
22 electric utility, and (ii) the costs associated with the use
23 and redispatch of generation facilities to mitigate
24 constraints on the transmission or distribution system in
25 order that retail customers located in the electric utility's
26 service area can receive electric power and energy from

1 suppliers other than the electric utility. Nothing in this
2 subsection shall be construed as directing the Commission to
3 allocate any of the costs described in (i) or (ii) that are
4 found to be appropriately included in the electric utility's
5 delivery services rates to any particular customer group or
6 geographic area in setting delivery services rates.

7 (d) The Commission shall establish charges, terms and
8 conditions for delivery services that are just and reasonable
9 and shall take into account customer impacts when establishing
10 such charges. In establishing charges, terms and conditions
11 for delivery services, the Commission shall take into account
12 voltage level differences. A retail customer shall have the
13 option to request to purchase electric service at any delivery
14 service voltage reasonably and technically feasible from the
15 electric facilities serving that customer's premises provided
16 that there are no significant adverse impacts upon system
17 reliability or system efficiency. A retail customer shall also
18 have the option to request to purchase electric service at any
19 point of delivery that is reasonably and technically feasible
20 provided that there are no significant adverse impacts on
21 system reliability or efficiency. Such requests shall not be
22 unreasonably denied.

23 (e) Electric utilities shall recover the costs of
24 installing, operating or maintaining facilities for the
25 particular benefit of one or more delivery services customers,
26 including without limitation any costs incurred in complying

1 with a customer's request to be served at a different voltage
2 level, directly from the retail customer or customers for
3 whose benefit the costs were incurred, to the extent such
4 costs are not recovered through the charges referred to in
5 subsections (c) and (d) of this Section.

6 (f) An electric utility shall be entitled but not required
7 to implement transition charges in conjunction with the
8 offering of delivery services pursuant to Section 16-104. If
9 an electric utility implements transition charges, it shall
10 implement such charges for all delivery services customers and
11 for all customers described in subsection (h), but shall not
12 implement transition charges for power and energy that a
13 retail customer takes from cogeneration or self-generation
14 facilities located on that retail customer's premises, if such
15 facilities meet the following criteria:

16 (i) the cogeneration or self-generation facilities
17 serve a single retail customer and are located on that
18 retail customer's premises (for purposes of this
19 subparagraph and subparagraph (ii), an industrial or
20 manufacturing retail customer and a third party contractor
21 that is served by such industrial or manufacturing
22 customer through such retail customer's own electrical
23 distribution facilities under the circumstances described
24 in subsection (vi) of the definition of "alternative
25 retail electric supplier" set forth in Section 16-102,
26 shall be considered a single retail customer);

1 (ii) the cogeneration or self-generation facilities
2 either (A) are sized pursuant to generally accepted
3 engineering standards for the retail customer's electrical
4 load at that premises (taking into account standby or
5 other reliability considerations related to that retail
6 customer's operations at that site) or (B) if the facility
7 is a cogeneration facility located on the retail
8 customer's premises, the retail customer is the thermal
9 host for that facility and the facility has been designed
10 to meet that retail customer's thermal energy requirements
11 resulting in electrical output beyond that retail
12 customer's electrical demand at that premises, comply with
13 the operating and efficiency standards applicable to
14 "qualifying facilities" specified in title 18 Code of
15 Federal Regulations Section 292.205 as in effect on the
16 effective date of this amendatory Act of 1999;

17 (iii) the retail customer on whose premises the
18 facilities are located either has an exclusive right to
19 receive, and corresponding obligation to pay for, all of
20 the electrical capacity of the facility, or in the case of
21 a cogeneration facility that has been designed to meet the
22 retail customer's thermal energy requirements at that
23 premises, an identified amount of the electrical capacity
24 of the facility, over a minimum 5-year period; and

25 (iv) if the cogeneration facility is sized for the
26 retail customer's thermal load at that premises but

1 exceeds the electrical load, any sales of excess power or
2 energy are made only at wholesale, are subject to the
3 jurisdiction of the Federal Energy Regulatory Commission,
4 and are not for the purpose of circumventing the
5 provisions of this subsection (f).

6 If a generation facility located at a retail customer's
7 premises does not meet the above criteria, an electric utility
8 implementing transition charges shall implement a transition
9 charge until December 31, 2006 for any power and energy taken
10 by such retail customer from such facility as if such power and
11 energy had been delivered by the electric utility. Provided,
12 however, that an industrial retail customer that is taking
13 power from a generation facility that does not meet the above
14 criteria but that is located on such customer's premises will
15 not be subject to a transition charge for the power and energy
16 taken by such retail customer from such generation facility if
17 the facility does not serve any other retail customer and
18 either was installed on behalf of the customer and for its own
19 use prior to January 1, 1997, or is both predominantly fueled
20 by byproducts of such customer's manufacturing process at such
21 premises and sells or offers an average of 300 megawatts or
22 more of electricity produced from such generation facility
23 into the wholesale market. Such charges shall be calculated as
24 provided in Section 16-102, and shall be collected on each
25 kilowatt-hour delivered under a delivery services tariff to a
26 retail customer from the date the customer first takes

1 delivery services until December 31, 2006 except as provided
2 in subsection (h) of this Section. Provided, however, that an
3 electric utility, other than an electric utility providing
4 service to at least 1,000,000 customers in this State on
5 January 1, 1999, shall be entitled to petition for entry of an
6 order by the Commission authorizing the electric utility to
7 implement transition charges for an additional period ending
8 no later than December 31, 2008. The electric utility shall
9 file its petition with supporting evidence no earlier than 16
10 months, and no later than 12 months, prior to December 31,
11 2006. The Commission shall hold a hearing on the electric
12 utility's petition and shall enter its order no later than 8
13 months after the petition is filed. The Commission shall
14 determine whether and to what extent the electric utility
15 shall be authorized to implement transition charges for an
16 additional period. The Commission may authorize the electric
17 utility to implement transition charges for some or all of the
18 additional period, and shall determine the mitigation factors
19 to be used in implementing such transition charges; provided,
20 that the Commission shall not authorize mitigation factors
21 less than 110% of those in effect during the 12 months ended
22 December 31, 2006. In making its determination, the Commission
23 shall consider the following factors: the necessity to
24 implement transition charges for an additional period in order
25 to maintain the financial integrity of the electric utility;
26 the prudence of the electric utility's actions in reducing its

1 costs since the effective date of this amendatory Act of 1997;
2 the ability of the electric utility to provide safe, adequate
3 and reliable service to retail customers in its service area;
4 and the impact on competition of allowing the electric utility
5 to implement transition charges for the additional period.

6 (g) The electric utility shall file tariffs that establish
7 the transition charges to be paid by each class of customers to
8 the electric utility in conjunction with the provision of
9 delivery services. The electric utility's tariffs shall define
10 the classes of its customers for purposes of calculating
11 transition charges. The electric utility's tariffs shall
12 provide for the calculation of transition charges on a
13 customer-specific basis for any retail customer whose average
14 monthly maximum electrical demand on the electric utility's
15 system during the 6 months with the customer's highest monthly
16 maximum electrical demands equals or exceeds 3.0 megawatts for
17 electric utilities having more than 1,000,000 customers, and
18 for other electric utilities for any customer that has an
19 average monthly maximum electrical demand on the electric
20 utility's system of one megawatt or more, and (A) for which
21 there exists data on the customer's usage during the 3 years
22 preceding the date that the customer became eligible to take
23 delivery services, or (B) for which there does not exist data
24 on the customer's usage during the 3 years preceding the date
25 that the customer became eligible to take delivery services,
26 if in the electric utility's reasonable judgment there exists

1 comparable usage information or a sufficient basis to develop
2 such information, and further provided that the electric
3 utility can require customers for which an individual
4 calculation is made to sign contracts that set forth the
5 transition charges to be paid by the customer to the electric
6 utility pursuant to the tariff.

7 (h) An electric utility shall also be entitled to file
8 tariffs that allow it to collect transition charges from
9 retail customers in the electric utility's service area that
10 do not take delivery services but that take electric power or
11 energy from an alternative retail electric supplier or from an
12 electric utility other than the electric utility in whose
13 service area the customer is located. Such charges shall be
14 calculated, in accordance with the definition of transition
15 charges in Section 16-102, for the period of time that the
16 customer would be obligated to pay transition charges if it
17 were taking delivery services, except that no deduction for
18 delivery services revenues shall be made in such calculation,
19 and usage data from the customer's class shall be used where
20 historical usage data is not available for the individual
21 customer. The customer shall be obligated to pay such charges
22 on a lump sum basis on or before the date on which the customer
23 commences to take service from the alternative retail electric
24 supplier or other electric utility, provided, that the
25 electric utility in whose service area the customer is located
26 shall offer the customer the option of signing a contract

1 pursuant to which the customer pays such charges ratably over
2 the period in which the charges would otherwise have applied.

3 (i) An electric utility shall be entitled to add to the
4 bills of delivery services customers charges pursuant to
5 Sections 9-221, 9-222 (except as provided in Section 9-222.1),
6 and Section 16-114 of this Act, Section 5-5 of the Electricity
7 Infrastructure Maintenance Fee Law, Section 6-5 of the
8 Renewable Energy, Energy Efficiency, and Coal Resources
9 Development Law of 1997, and Section 13 of the Energy
10 Assistance Act.

11 (j) If a retail customer that obtains electric power and
12 energy from cogeneration or self-generation facilities
13 installed for its own use on or before January 1, 1997,
14 subsequently takes service from an alternative retail electric
15 supplier or an electric utility other than the electric
16 utility in whose service area the customer is located for any
17 portion of the customer's electric power and energy
18 requirements formerly obtained from those facilities
19 (including that amount purchased from the utility in lieu of
20 such generation and not as standby power purchases, under a
21 cogeneration displacement tariff in effect as of the effective
22 date of this amendatory Act of 1997), the transition charges
23 otherwise applicable pursuant to subsections (f), (g), or (h)
24 of this Section shall not be applicable in any year to that
25 portion of the customer's electric power and energy
26 requirements formerly obtained from those facilities,

1 provided, that for purposes of this subsection (j), such
2 portion shall not exceed the average number of kilowatt-hours
3 per year obtained from the cogeneration or self-generation
4 facilities during the 3 years prior to the date on which the
5 customer became eligible for delivery services, except as
6 provided in subsection (f) of Section 16-110.

7 (k) The electric utility shall be entitled to recover
8 through tariffed charges all of the costs associated with the
9 purchase of zero emission credits from zero emission
10 facilities to meet the requirements of subsection (d-5) of
11 Section 1-75 of the Illinois Power Agency Act. Such costs
12 shall include the costs of procuring the zero emission
13 credits, as well as the reasonable costs that the utility
14 incurs as part of the procurement processes and to implement
15 and comply with plans and processes approved by the Commission
16 under such subsection (d-5). The costs shall be allocated
17 across all retail customers through a single, uniform cents
18 per kilowatt-hour charge applicable to all retail customers,
19 which shall appear as a separate line item on each customer's
20 bill. Beginning June 1, 2017, the electric utility shall be
21 entitled to recover through tariffed charges all of the costs
22 associated with the purchase of renewable energy resources to
23 meet the renewable energy resource standards of subsection (c)
24 of Section 1-75 of the Illinois Power Agency Act, under
25 procurement plans as approved in accordance with that Section
26 and Section 16-111.5 of this Act. Such costs shall include the

1 costs of procuring the renewable energy resources, as well as
2 the reasonable costs that the utility incurs as part of the
3 procurement processes and to implement and comply with plans
4 and processes approved by the Commission under such Sections.
5 The costs associated with the purchase of renewable energy
6 resources shall be allocated across all retail customers in
7 proportion to the amount of renewable energy resources the
8 utility procures for such customers through a single, uniform
9 cents per kilowatt-hour charge applicable to such retail
10 customers, which shall appear as a separate line item on each
11 such customer's bill.

12 Notwithstanding whether the Commission has approved the
13 initial long-term renewable resources procurement plan as of
14 June 1, 2017, an electric utility shall place new tariffed
15 charges into effect beginning with the June 2017 monthly
16 billing period, to the extent practicable, to begin recovering
17 the costs of procuring renewable energy resources, as those
18 charges are calculated under the limitations described in
19 subparagraph (E) of paragraph (1) of subsection (c) of Section
20 1-75 of the Illinois Power Agency Act. Notwithstanding the
21 date on which the utility places such new tariffed charges
22 into effect, the utility shall be permitted to collect the
23 charges under such tariff as if the tariff had been in effect
24 beginning with the first day of the June 2017 monthly billing
25 period. For the delivery years commencing June 1, 2017, June
26 1, 2018, ~~and~~ June 1, 2019, June 1, 2020, June 1, 2021, and June

1 1, 2022, the electric utility shall deposit into a separate
2 interest bearing account of a financial institution the monies
3 collected under the tariffed charges. Any interest earned
4 shall be credited back to retail customers under the
5 reconciliation proceeding provided for in this subsection (k),
6 provided that the electric utility shall first be reimbursed
7 from the interest for the administrative costs that it incurs
8 to administer and manage the account. Any taxes due on the
9 funds in the account, or interest earned on it, will be paid
10 from the account or, if insufficient monies are available in
11 the account, from the monies collected under the tariffed
12 charges to recover the costs of procuring renewable energy
13 resources. Monies deposited in the account shall be subject to
14 the review, reconciliation, and true-up process described in
15 this subsection (k) that is applicable to the funds collected
16 and costs incurred for the procurement of renewable energy
17 resources.

18 The electric utility shall be entitled to recover all of
19 the costs identified in this subsection (k) through automatic
20 adjustment clause tariffs applicable to all of the utility's
21 retail customers that allow the electric utility to adjust its
22 tariffed charges consistent with this subsection (k). The
23 determination as to whether any excess funds were collected
24 during a given delivery year for the purchase of renewable
25 energy resources, and the crediting of any excess funds back
26 to retail customers, shall not be made until after the close of

1 the delivery year, which will ensure that the maximum amount
2 of funds is available to implement the approved long-term
3 renewable resources procurement plan during a given delivery
4 year. The amount of excess funds credited back to retail
5 customers shall be reduced by an amount equal to the payment
6 obligations required by any contracts entered into by an
7 electric utility under described in Sections 1-56(b) and
8 1-75(c) of the Illinois Power Agency Act, even if such
9 payments have not yet been made. The electric utility's
10 collections under such automatic adjustment clause tariffs to
11 recover the costs of renewable energy resources and zero
12 emission credits from zero emission facilities shall be
13 subject to separate annual review, reconciliation, and true-up
14 against actual costs by the Commission under a procedure that
15 shall be specified in the electric utility's automatic
16 adjustment clause tariffs and that shall be approved by the
17 Commission in connection with its approval of such tariffs.
18 The procedure shall provide that any difference between the
19 electric utility's collections under the automatic adjustment
20 charges for an annual period and the electric utility's actual
21 costs of renewable energy resources and zero emission credits
22 from zero emission facilities for that same annual period
23 shall be refunded to or collected from, as applicable, the
24 electric utility's retail customers in subsequent periods.

25 Nothing in this subsection (k) is intended to affect,
26 limit, or change the right of the electric utility to recover

1 the costs associated with the procurement of renewable energy
2 resources for periods commencing before, on, or after June 1,
3 2017, as otherwise provided in the Illinois Power Agency Act.

4 Notwithstanding anything to the contrary, the Commission
5 shall not conduct an annual review, reconciliation, and
6 true-up associated with renewable energy resources'
7 collections and costs for the delivery years commencing June
8 1, 2017, June 1, 2018, June 1, 2019, ~~and~~ June 1, 2020, June 1,
9 2021, and June 1, 2022, and shall instead conduct a single
10 review, reconciliation, and true-up associated with renewable
11 energy resources' collections and costs for the 6-year ~~4-year~~
12 period beginning June 1, 2017 and ending May 31, 2023 ~~2021~~,
13 provided that the review, reconciliation, and true-up shall
14 not be initiated until after August 31, 2023 ~~2021~~. During the
15 6-year ~~4-year~~ period, the utility shall be permitted to
16 collect and retain funds under this subsection (k) and to
17 purchase renewable energy resources under an approved
18 long-term renewable resources procurement plan using those
19 funds regardless of the delivery year in which the funds were
20 collected during the 6-year ~~4-year~~ period.

21 If the amount of funds collected during the delivery year
22 commencing June 1, 2017, exceeds the costs incurred during
23 that delivery year, then up to half of this excess amount, as
24 calculated on June 1, 2018, may be used to fund the programs
25 under subsection (b) of Section 1-56 of the Illinois Power
26 Agency Act in the same proportion the programs are funded

1 under that subsection (b). However, any amount identified
2 under this subsection (k) to fund programs under subsection
3 (b) of Section 1-56 of the Illinois Power Agency Act shall be
4 reduced if it exceeds the funding shortfall. For purposes of
5 this Section, "funding shortfall" means the difference between
6 \$200,000,000 and the amount appropriated by the General
7 Assembly to the Illinois Power Agency Renewable Energy
8 Resources Fund during the period that commences on the
9 effective date of this amendatory act of the 99th General
10 Assembly and ends on August 1, 2018.

11 If the amount of funds collected during the delivery year
12 commencing June 1, 2018, exceeds the costs incurred during
13 that delivery year, then up to half of this excess amount, as
14 calculated on June 1, 2019, may be used to fund the programs
15 under subsection (b) of Section 1-56 of the Illinois Power
16 Agency Act in the same proportion the programs are funded
17 under that subsection (b). However, any amount identified
18 under this subsection (k) to fund programs under subsection
19 (b) of Section 1-56 of the Illinois Power Agency Act shall be
20 reduced if it exceeds the funding shortfall.

21 If the amount of funds collected during the delivery year
22 commencing June 1, 2019, exceeds the costs incurred during
23 that delivery year, then up to half of this excess amount, as
24 calculated on June 1, 2020, may be used to fund the programs
25 under subsection (b) of Section 1-56 of the Illinois Power
26 Agency Act in the same proportion the programs are funded

1 under that subsection (b). However, any amount identified
2 under this subsection (k) to fund programs under subsection
3 (b) of Section 1-56 of the Illinois Power Agency Act shall be
4 reduced if it exceeds the funding shortfall.

5 The funding available under this subsection (k), if any,
6 for the programs described under subsection (b) of Section
7 1-56 of the Illinois Power Agency Act shall not reduce the
8 amount of funding for the programs described in subparagraph
9 (O) of paragraph (1) of subsection (c) of Section 1-75 of the
10 Illinois Power Agency Act. If funding is available under this
11 subsection (k) for programs described under subsection (b) of
12 Section 1-56 of the Illinois Power Agency Act, then the
13 long-term renewable resources plan shall provide for the
14 Agency to procure contracts in an amount that does not exceed
15 the funding, and the contracts approved by the Commission
16 shall be executed by the applicable utility or utilities.

17 (l) A utility that has terminated any contract executed
18 under subsection (d-5) of Section 1-75 of the Illinois Power
19 Agency Act shall be entitled to recover any remaining balance
20 associated with the purchase of zero emission credits prior to
21 such termination, and such utility shall also apply a credit
22 to its retail customer bills in the event of any
23 over-collection.

24 (m) (1) An electric utility that recovers its costs of
25 procuring zero emission credits from zero emission
26 facilities through a cents-per-kilowatthour charge under

1 ~~to~~ subsection (k) of this Section shall be subject to the
2 requirements of this subsection (m). Notwithstanding
3 anything to the contrary, such electric utility shall,
4 beginning on April 30, 2018, and each April 30 thereafter
5 until April 30, 2026, calculate whether any reduction must
6 be applied to such cents-per-kilowatthour charge that is
7 paid by retail customers of the electric utility that are
8 exempt from subsections (a) through (j) of Section 8-103B
9 of this Act under subsection (l) of Section 8-103B. Such
10 charge shall be reduced for such customers for the next
11 delivery year commencing on June 1 based on the amount
12 necessary, if any, to limit the annual estimated average
13 net increase for the prior calendar year due to the future
14 energy investment costs to no more than 1.3% of 5.98 cents
15 per kilowatt-hour, which is the average amount paid per
16 kilowatthour for electric service during the year ending
17 December 31, 2015 by Illinois industrial retail customers,
18 as reported to the Edison Electric Institute.

19 The calculations required by this subsection (m) shall
20 be made only once for each year, and no subsequent rate
21 impact determinations shall be made.

22 (2) For purposes of this Section, "future energy
23 investment costs" shall be calculated by subtracting the
24 cents-per-kilowatthour charge identified in subparagraph
25 (A) of this paragraph (2) from the sum of the
26 cents-per-kilowatthour charges identified in subparagraph

1 (B) of this paragraph (2):

2 (A) The cents-per-kilowatthour charge identified
3 in the electric utility's tariff placed into effect
4 under Section 8-103 of the Public Utilities Act that,
5 on December 1, 2016, was applicable to those retail
6 customers that are exempt from subsections (a) through
7 (j) of Section 8-103B of this Act under subsection (l)
8 of Section 8-103B.

9 (B) The sum of the following
10 cents-per-kilowatthour charges applicable to those
11 retail customers that are exempt from subsections (a)
12 through (j) of Section 8-103B of this Act under
13 subsection (l) of Section 8-103B, provided that if one
14 or more of the following charges has been in effect and
15 applied to such customers for more than one calendar
16 year, then each charge shall be equal to the average of
17 the charges applied over a period that commences with
18 the calendar year ending December 31, 2017 and ends
19 with the most recently completed calendar year prior
20 to the calculation required by this subsection (m):

21 (i) the cents-per-kilowatthour charge to
22 recover the costs incurred by the utility under
23 subsection (d-5) of Section 1-75 of the Illinois
24 Power Agency Act, adjusted for any reductions
25 required under this subsection (m); and

26 (ii) the cents-per-kilowatthour charge to

1 recover the costs incurred by the utility under
2 Section 16-107.6 of the Public Utilities Act.

3 If no charge was applied for a given calendar year
4 under item (i) or (ii) of this subparagraph (B), then
5 the value of the charge for that year shall be zero.

6 (3) If a reduction is required by the calculation
7 performed under this subsection (m), then the amount of
8 the reduction shall be multiplied by the number of years
9 reflected in the averages calculated under subparagraph
10 (B) of paragraph (2) of this subsection (m). Such
11 reduction shall be applied to the cents-per-kilowatthour
12 charge that is applicable to those retail customers that
13 are exempt from subsections (a) through (j) of Section
14 8-103B of this Act under subsection (l) of Section 8-103B
15 beginning with the next delivery year commencing after the
16 date of the calculation required by this subsection (m).

17 (4) The electric utility shall file a notice with the
18 Commission on May 1 of 2018 and each May 1 thereafter until
19 May 1, 2026 containing the reduction, if any, which must
20 be applied for the delivery year which begins in the year
21 of the filing. The notice shall contain the calculations
22 made pursuant to this Section. By October 1 of each year
23 beginning in 2018, each electric utility shall notify the
24 Commission if it appears, based on an estimate of the
25 calculation required in this subsection (m), that a
26 reduction will be required in the next year.

1 (Source: P.A. 99-906, eff. 6-1-17.)

2 (220 ILCS 5/16-108.5)

3 Sec. 16-108.5. Infrastructure investment and
4 modernization; regulatory reform.

5 (a) (Blank).

6 (b) For purposes of this Section, "participating utility"
7 means an electric utility or a combination utility serving
8 more than 1,000,000 customers in Illinois that voluntarily
9 elects and commits to undertake (i) the infrastructure
10 investment program consisting of the commitments and
11 obligations described in this subsection (b) and (ii) the
12 customer assistance program consisting of the commitments and
13 obligations described in subsection (b-10) of this Section,
14 notwithstanding any other provisions of this Act and without
15 obtaining any approvals from the Commission or any other
16 agency other than as set forth in this Section, regardless of
17 whether any such approval would otherwise be required.
18 "Combination utility" means a utility that, as of January 1,
19 2011, provided electric service to at least one million retail
20 customers in Illinois and gas service to at least 500,000
21 retail customers in Illinois. A participating utility shall
22 recover the expenditures made under the infrastructure
23 investment program through the ratemaking process, including,
24 but not limited to, the performance-based formula rate and
25 process set forth in this Section.

1 During the infrastructure investment program's peak
2 program year, a participating utility other than a combination
3 utility shall create 2,000 full-time equivalent jobs in
4 Illinois, and a participating utility that is a combination
5 utility shall create 450 full-time equivalent jobs in Illinois
6 related to the provision of electric service. These jobs shall
7 include direct jobs, contractor positions, and induced jobs,
8 but shall not include any portion of a job commitment, not
9 specifically contingent on an amendatory Act of the 97th
10 General Assembly becoming law, between a participating utility
11 and a labor union that existed on December 30, 2011 (the
12 effective date of Public Act 97-646) and that has not yet been
13 fulfilled. A portion of the full-time equivalent jobs created
14 by each participating utility shall include incremental
15 personnel hired subsequent to December 30, 2011 (the effective
16 date of Public Act 97-646). For purposes of this Section,
17 "peak program year" means the consecutive 12-month period with
18 the highest number of full-time equivalent jobs that occurs
19 between the beginning of investment year 2 and the end of
20 investment year 4.

21 A participating utility shall meet one of the following
22 commitments, as applicable:

- 23 (1) Beginning no later than 180 days after a
24 participating utility other than a combination utility
25 files a performance-based formula rate tariff pursuant to
26 subsection (c) of this Section, or, beginning no later

1 than January 1, 2012 if such utility files such
2 performance-based formula rate tariff within 14 days of
3 October 26, 2011 (the effective date of Public Act
4 97-616), the participating utility shall, except as
5 provided in subsection (b-5):

6 (A) over a 5-year period, invest an estimated
7 \$1,300,000,000 in electric system upgrades,
8 modernization projects, and training facilities,
9 including, but not limited to:

10 (i) distribution infrastructure improvements
11 totaling an estimated \$1,000,000,000, including
12 underground residential distribution cable
13 injection and replacement and mainline cable
14 system refurbishment and replacement projects;

15 (ii) training facility construction or upgrade
16 projects totaling an estimated \$10,000,000,
17 provided that, at a minimum, one such facility
18 shall be located in a municipality having a
19 population of more than 2 million residents and
20 one such facility shall be located in a
21 municipality having a population of more than
22 150,000 residents but fewer than 170,000
23 residents; any such new facility located in a
24 municipality having a population of more than 2
25 million residents must be designed for the purpose
26 of obtaining, and the owner of the facility shall

1 apply for, certification under the United States
2 Green Building Council's Leadership in Energy
3 Efficiency Design Green Building Rating System;

4 (iii) wood pole inspection, treatment, and
5 replacement programs;

6 (iv) an estimated \$200,000,000 for reducing
7 the susceptibility of certain circuits to
8 storm-related damage, including, but not limited
9 to, high winds, thunderstorms, and ice storms;
10 improvements may include, but are not limited to,
11 overhead to underground conversion and other
12 engineered outcomes for circuits; the
13 participating utility shall prioritize the
14 selection of circuits based on each circuit's
15 historical susceptibility to storm-related damage
16 and the ability to provide the greatest customer
17 benefit upon completion of the improvements; to be
18 eligible for improvement, the participating
19 utility's ability to maintain proper tree
20 clearances surrounding the overhead circuit must
21 not have been impeded by third parties; and

22 (B) over a 10-year period, invest an estimated
23 \$1,300,000,000 to upgrade and modernize its
24 transmission and distribution infrastructure and in
25 Smart Grid electric system upgrades, including, but
26 not limited to:

- 1 (i) additional smart meters;
2 (ii) distribution automation;
3 (iii) associated cyber secure data
4 communication network; and
5 (iv) substation micro-processor relay
6 upgrades.

7 (2) Beginning no later than 180 days after a
8 participating utility that is a combination utility files
9 a performance-based formula rate tariff pursuant to
10 subsection (c) of this Section, or, beginning no later
11 than January 1, 2012 if such utility files such
12 performance-based formula rate tariff within 14 days of
13 October 26, 2011 (the effective date of Public Act
14 97-616), the participating utility shall, except as
15 provided in subsection (b-5):

16 (A) over a 10-year period, invest an estimated
17 \$265,000,000 in electric system upgrades,
18 modernization projects, and training facilities,
19 including, but not limited to:

20 (i) distribution infrastructure improvements
21 totaling an estimated \$245,000,000, which may
22 include bulk supply substations, transformers,
23 reconductoring, and rebuilding overhead
24 distribution and sub-transmission lines,
25 underground residential distribution cable
26 injection and replacement and mainline cable

1 system refurbishment and replacement projects;

2 (ii) training facility construction or upgrade

3 projects totaling an estimated \$1,000,000; any

4 such new facility must be designed for the purpose

5 of obtaining, and the owner of the facility shall

6 apply for, certification under the United States

7 Green Building Council's Leadership in Energy

8 Efficiency Design Green Building Rating System;

9 and

10 (iii) wood pole inspection, treatment, and

11 replacement programs; and

12 (B) over a 10-year period, invest an estimated

13 \$360,000,000 to upgrade and modernize its transmission

14 and distribution infrastructure and in Smart Grid

15 electric system upgrades, including, but not limited

16 to:

17 (i) additional smart meters;

18 (ii) distribution automation;

19 (iii) associated cyber secure data

20 communication network; and

21 (iv) substation micro-processor relay

22 upgrades.

23 For purposes of this Section, "Smart Grid electric system

24 upgrades" shall have the meaning set forth in subsection (a)

25 of Section 16-108.6 of this Act.

26 The investments in the infrastructure investment program

1 described in this subsection (b) shall be incremental to the
2 participating utility's annual capital investment program, as
3 defined by, for purposes of this subsection (b), the
4 participating utility's average capital spend for calendar
5 years 2008, 2009, and 2010 as reported in the applicable
6 Federal Energy Regulatory Commission (FERC) Form 1; provided
7 that where one or more utilities have merged, the average
8 capital spend shall be determined using the aggregate of the
9 merged utilities' capital spend reported in FERC Form 1 for
10 the years 2008, 2009, and 2010. A participating utility may
11 add reasonable construction ramp-up and ramp-down time to the
12 investment periods specified in this subsection (b). For each
13 such investment period, the ramp-up and ramp-down time shall
14 not exceed a total of 6 months.

15 Within 60 days after filing a tariff under subsection (c)
16 of this Section, a participating utility shall submit to the
17 Commission its plan, including scope, schedule, and staffing,
18 for satisfying its infrastructure investment program
19 commitments pursuant to this subsection (b). The submitted
20 plan shall include a schedule and staffing plan for the next
21 calendar year. The plan shall also include a plan for the
22 creation, operation, and administration of a Smart Grid test
23 bed as described in subsection (c) of Section 16-108.8. The
24 plan need not allocate the work equally over the respective
25 periods, but should allocate material increments throughout
26 such periods commensurate with the work to be undertaken. No

1 later than April 1 of each subsequent year, the utility shall
2 submit to the Commission a report that includes any updates to
3 the plan, a schedule for the next calendar year, the
4 expenditures made for the prior calendar year and
5 cumulatively, and the number of full-time equivalent jobs
6 created for the prior calendar year and cumulatively. If the
7 utility is materially deficient in satisfying a schedule or
8 staffing plan, then the report must also include a corrective
9 action plan to address the deficiency. The fact that the plan,
10 implementation of the plan, or a schedule changes shall not
11 imply the imprudence or unreasonableness of the infrastructure
12 investment program, plan, or schedule. Further, no later than
13 45 days following the last day of the first, second, and third
14 quarters of each year of the plan, a participating utility
15 shall submit to the Commission a verified quarterly report for
16 the prior quarter that includes (i) the total number of
17 full-time equivalent jobs created during the prior quarter,
18 (ii) the total number of employees as of the last day of the
19 prior quarter, (iii) the total number of full-time equivalent
20 hours in each job classification or job title, (iv) the total
21 number of incremental employees and contractors in support of
22 the investments undertaken pursuant to this subsection (b) for
23 the prior quarter, and (v) any other information that the
24 Commission may require by rule.

25 With respect to the participating utility's peak job
26 commitment, if, after considering the utility's corrective

1 action plan and compliance thereunder, the Commission enters
2 an order finding, after notice and hearing, that a
3 participating utility did not satisfy its peak job commitment
4 described in this subsection (b) for reasons that are
5 reasonably within its control, then the Commission shall also
6 determine, after consideration of the evidence, including, but
7 not limited to, evidence submitted by the Department of
8 Commerce and Economic Opportunity and the utility, the
9 deficiency in the number of full-time equivalent jobs during
10 the peak program year due to such failure. The Commission
11 shall notify the Department of any proceeding that is
12 initiated pursuant to this paragraph. For each full-time
13 equivalent job deficiency during the peak program year that
14 the Commission finds as set forth in this paragraph, the
15 participating utility shall, within 30 days after the entry of
16 the Commission's order, pay \$6,000 to a fund for training
17 grants administered under Section 605-800 of the Department of
18 Commerce and Economic Opportunity Law, which shall not be a
19 recoverable expense.

20 With respect to the participating utility's investment
21 amount commitments, if, after considering the utility's
22 corrective action plan and compliance thereunder, the
23 Commission enters an order finding, after notice and hearing,
24 that a participating utility is not satisfying its investment
25 amount commitments described in this subsection (b), then the
26 utility shall no longer be eligible to annually update the

1 performance-based formula rate tariff pursuant to subsection
2 (d) of this Section. In such event, the then current rates
3 shall remain in effect until such time as new rates are set
4 pursuant to Article IX of this Act, ~~subject to retroactive~~
5 ~~adjustment, with interest, to reconcile rates charged with~~
6 ~~actual costs.~~

7 If the Commission finds that a participating utility is no
8 longer eligible to update the performance-based formula rate
9 tariff pursuant to subsection (d) of this Section, or the
10 performance-based formula rate is otherwise terminated, then
11 the participating utility's voluntary commitments and
12 obligations under this subsection (b) shall immediately
13 terminate, except for the utility's obligation to pay an
14 amount already owed to the fund for training grants pursuant
15 to a Commission order.

16 In meeting the obligations of this subsection (b), to the
17 extent feasible and consistent with State and federal law, the
18 investments under the infrastructure investment program should
19 provide employment opportunities for all segments of the
20 population and workforce, including minority-owned and
21 female-owned business enterprises, and shall not, consistent
22 with State and federal law, discriminate based on race or
23 socioeconomic status.

24 (b-5) Nothing in this Section shall prohibit the
25 Commission from investigating the prudence and reasonableness
26 of the expenditures made under the infrastructure investment

1 program during the annual review required by subsection (d) of
2 this Section and shall, as part of such investigation,
3 determine whether the utility's actual costs under the program
4 are prudent and reasonable. The fact that a participating
5 utility invests more than the minimum amounts specified in
6 subsection (b) of this Section or its plan shall not imply
7 imprudence or unreasonableness.

8 If the participating utility finds that it is implementing
9 its plan for satisfying the infrastructure investment program
10 commitments described in subsection (b) of this Section at a
11 cost below the estimated amounts specified in subsection (b)
12 of this Section, then the utility may file a petition with the
13 Commission requesting that it be permitted to satisfy its
14 commitments by spending less than the estimated amounts
15 specified in subsection (b) of this Section. The Commission
16 shall, after notice and hearing, enter its order approving, or
17 approving as modified, or denying each such petition within
18 150 days after the filing of the petition.

19 In no event, absent General Assembly approval, shall the
20 capital investment costs incurred by a participating utility
21 other than a combination utility in satisfying its
22 infrastructure investment program commitments described in
23 subsection (b) of this Section exceed \$3,000,000,000 or, for a
24 participating utility that is a combination utility,
25 \$720,000,000. If the participating utility's updated cost
26 estimates for satisfying its infrastructure investment program

1 commitments described in subsection (b) of this Section exceed
2 the limitation imposed by this subsection (b-5), then it shall
3 submit a report to the Commission that identifies the
4 increased costs and explains the reason or reasons for the
5 increased costs no later than the year in which the utility
6 estimates it will exceed the limitation. The Commission shall
7 review the report and shall, within 90 days after the
8 participating utility files the report, report to the General
9 Assembly its findings regarding the participating utility's
10 report. If the General Assembly does not amend the limitation
11 imposed by this subsection (b-5), then the utility may modify
12 its plan so as not to exceed the limitation imposed by this
13 subsection (b-5) and may propose corresponding changes to the
14 metrics established pursuant to subparagraphs (5) through (8)
15 of subsection (f) of this Section, and the Commission may
16 modify the metrics and incremental savings goals established
17 pursuant to subsection (f) of this Section accordingly.

18 (b-10) All participating utilities shall make
19 contributions for an energy low-income and support program in
20 accordance with this subsection. Beginning no later than 180
21 days after a participating utility files a performance-based
22 formula rate tariff pursuant to subsection (c) of this
23 Section, or beginning no later than January 1, 2012 if such
24 utility files such performance-based formula rate tariff
25 within 14 days of December 30, 2011 (the effective date of
26 Public Act 97-646), and without obtaining any approvals from

1 the Commission or any other agency other than as set forth in
2 this Section, regardless of whether any such approval would
3 otherwise be required, a participating utility other than a
4 combination utility shall pay \$23,500,000 ~~\$10,000,000~~ per year
5 for 5 years and a participating utility that is a combination
6 utility shall pay \$1,000,000 per year for 10 years to the
7 energy low-income and support program, which is intended to
8 fund customer assistance programs with the primary purpose
9 being avoidance of imminent disconnection. Such programs may
10 include:

11 (1) a residential hardship program that may partner
12 with community-based organizations, including senior
13 citizen organizations, and provides grants to low-income
14 residential customers, including low-income senior
15 citizens, who demonstrate a hardship;

16 (2) a program that provides grants and other bill
17 payment concessions to veterans with disabilities who
18 demonstrate a hardship and members of the armed services
19 or reserve forces of the United States or members of the
20 Illinois National Guard who are on active duty pursuant to
21 an executive order of the President of the United States,
22 an act of the Congress of the United States, or an order of
23 the Governor and who demonstrate a hardship;

24 (3) a budget assistance program that provides tools
25 and education to low-income senior citizens to assist them
26 with obtaining information regarding energy usage and

1 effective means of managing energy costs;

2 (4) a non-residential special hardship program that
3 provides grants to non-residential customers such as small
4 businesses and non-profit organizations that demonstrate a
5 hardship, including those providing services to senior
6 citizen and low-income customers; and

7 (5) a performance-based assistance program that
8 provides grants to encourage residential customers to make
9 on-time payments by matching a portion of the customer's
10 payments or providing credits towards arrearages.

11 The payments made by a participating utility pursuant to
12 this subsection (b-10) shall not be a recoverable expense. A
13 participating utility may elect to fund either new or existing
14 customer assistance programs, including, but not limited to,
15 those that are administered by the utility.

16 Programs that use funds that are provided by a
17 participating utility to reduce utility bills may be
18 implemented through tariffs that are filed with and reviewed
19 by the Commission. If a utility elects to file tariffs with the
20 Commission to implement all or a portion of the programs,
21 those tariffs shall, regardless of the date actually filed, be
22 deemed accepted and approved, and shall become effective on
23 December 30, 2011 (the effective date of Public Act 97-646).
24 The participating utilities whose customers benefit from the
25 funds that are disbursed as contemplated in this Section shall
26 file annual reports documenting the disbursement of those

1 funds with the Commission. The Commission has the authority to
2 audit disbursement of the funds to ensure they were disbursed
3 consistently with this Section.

4 If the Commission finds that a participating utility is no
5 longer eligible to update the performance-based formula rate
6 tariff pursuant to subsection (d) of this Section, or the
7 performance-based formula rate is otherwise terminated, then
8 the participating utility's voluntary commitments and
9 obligations under this subsection (b-10) shall immediately
10 terminate.

11 (c) A participating utility may elect to recover its
12 delivery services costs through a performance-based formula
13 rate approved by the Commission, which shall specify the cost
14 components that form the basis of the rate charged to
15 customers with sufficient specificity to operate in a
16 standardized manner and be updated annually with transparent
17 information that reflects the utility's actual costs to be
18 recovered during the applicable rate year, which is the period
19 beginning with the first billing day of January and extending
20 through the last billing day of the following December. In the
21 event the utility recovers a portion of its costs through
22 automatic adjustment clause tariffs on October 26, 2011 (the
23 effective date of Public Act 97-616), the utility may elect to
24 continue to recover these costs through such tariffs, but then
25 these costs shall not be recovered through the
26 performance-based formula rate. In the event the participating

1 utility, prior to December 30, 2011 (the effective date of
2 Public Act 97-646), filed electric delivery services tariffs
3 with the Commission pursuant to Section 9-201 of this Act that
4 are related to the recovery of its electric delivery services
5 costs that are still pending on December 30, 2011 (the
6 effective date of Public Act 97-646), the participating
7 utility shall, at the time it files its performance-based
8 formula rate tariff with the Commission, also file a notice of
9 withdrawal with the Commission to withdraw the electric
10 delivery services tariffs previously filed pursuant to Section
11 9-201 of this Act. Upon receipt of such notice, the Commission
12 shall dismiss with prejudice any docket that had been
13 initiated to investigate the electric delivery services
14 tariffs filed pursuant to Section 9-201 of this Act, and such
15 tariffs and the record related thereto shall not be the
16 subject of any further hearing, investigation, or proceeding
17 of any kind related to rates for electric delivery services.

18 The performance-based formula rate shall be implemented
19 through a tariff filed with the Commission consistent with the
20 provisions of this subsection (c) that shall be applicable to
21 all delivery services customers. The Commission shall initiate
22 and conduct an investigation of the tariff in a manner
23 consistent with the provisions of this subsection (c) and the
24 provisions of Article IX of this Act to the extent they do not
25 conflict with this subsection (c). Except in the case where
26 the Commission finds, after notice and hearing, that a

1 participating utility is not satisfying its investment amount
2 commitments under subsection (b) of this Section, the
3 performance-based formula rate shall remain in effect at the
4 discretion of the utility. The performance-based formula rate
5 approved by the Commission shall do the following:

6 (1) Provide for the recovery of the utility's actual
7 costs of delivery services that are prudently incurred and
8 reasonable in amount consistent with Commission practice
9 and law. The sole fact that a cost differs from that
10 incurred in a prior calendar year or that an investment is
11 different from that made in a prior calendar year shall
12 not imply the imprudence or unreasonableness of that cost
13 or investment.

14 (2) Reflect the utility's actual year-end capital
15 structure for the applicable calendar year, excluding
16 goodwill, subject to a determination of prudence and
17 reasonableness consistent with Commission practice and
18 law. To enable the financing of the incremental capital
19 expenditures, including regulatory assets, for electric
20 utilities that serve less than 3,000,000 retail customers
21 but more than 500,000 retail customers in the State, a
22 participating electric utility's actual year-end capital
23 structure that includes a common equity ratio, excluding
24 goodwill, of up to and including 50% of the total capital
25 structure shall be deemed reasonable and used to set
26 rates.

1 (3) Include a cost of equity, which shall be
2 calculated as the sum of the following:

3 (A) the average for the applicable calendar year
4 of the monthly average yields of 30-year U.S. Treasury
5 bonds published by the Board of Governors of the
6 Federal Reserve System in its weekly H.15 Statistical
7 Release or successor publication; and

8 (B) 580 basis points.

9 At such time as the Board of Governors of the Federal
10 Reserve System ceases to include the monthly average
11 yields of 30-year U.S. Treasury bonds in its weekly H.15
12 Statistical Release or successor publication, the monthly
13 average yields of the U.S. Treasury bonds then having the
14 longest duration published by the Board of Governors in
15 its weekly H.15 Statistical Release or successor
16 publication shall instead be used for purposes of this
17 paragraph (3).

18 (4) Permit and set forth protocols, subject to a
19 determination of prudence and reasonableness consistent
20 with Commission practice and law, for the following:

21 (A) recovery of incentive compensation expense
22 that is based on the achievement of operational
23 metrics, including metrics related to budget controls,
24 outage duration and frequency, safety, customer
25 service, efficiency and productivity, and
26 environmental compliance. Incentive compensation

1 expense that is based on net income or an affiliate's
2 earnings per share shall not be recoverable under the
3 performance-based formula rate;

4 (B) recovery of pension and other post-employment
5 benefits expense, provided that such costs are
6 supported by an actuarial study;

7 (C) recovery of severance costs, provided that if
8 the amount is over \$3,700,000 for a participating
9 utility that is a combination utility or \$10,000,000
10 for a participating utility that serves more than 3
11 million retail customers, then the full amount shall
12 be amortized consistent with subparagraph (F) of this
13 paragraph (4);

14 (D) investment return at a rate equal to the
15 utility's weighted average cost of long-term debt, on
16 the pension assets as, and in the amount, reported in
17 Account 186 (or in such other Account or Accounts as
18 such asset may subsequently be recorded) of the
19 utility's most recently filed FERC Form 1, net of
20 deferred tax benefits;

21 (E) recovery of the expenses related to the
22 Commission proceeding under this subsection (c) to
23 approve this performance-based formula rate and
24 initial rates or to subsequent proceedings related to
25 the formula, provided that the recovery shall be
26 amortized over a 3-year period; recovery of expenses

1 related to the annual Commission proceedings under
2 subsection (d) of this Section to review the inputs to
3 the performance-based formula rate shall be expensed
4 and recovered through the performance-based formula
5 rate;

6 (F) amortization over a 5-year period of the full
7 amount of each charge or credit that exceeds
8 \$3,700,000 for a participating utility that is a
9 combination utility or \$10,000,000 for a participating
10 utility that serves more than 3 million retail
11 customers in the applicable calendar year and that
12 relates to a workforce reduction program's severance
13 costs, changes in accounting rules, changes in law,
14 compliance with any Commission-initiated audit, or a
15 single storm or other similar expense, provided that
16 any unamortized balance shall be reflected in rate
17 base. For purposes of this subparagraph (F), changes
18 in law includes any enactment, repeal, or amendment in
19 a law, ordinance, rule, regulation, interpretation,
20 permit, license, consent, or order, including those
21 relating to taxes, accounting, or to environmental
22 matters, or in the interpretation or application
23 thereof by any governmental authority occurring after
24 October 26, 2011 (the effective date of Public Act
25 97-616);

26 (G) recovery of existing regulatory assets over

1 the periods previously authorized by the Commission;

2 (H) historical weather normalized billing

3 determinants; and

4 (I) allocation methods for common costs.

5 (5) Provide that if the participating utility's earned

6 rate of return on common equity related to the provision

7 of delivery services for the prior rate year (calculated

8 using costs and capital structure approved by the

9 Commission as provided in subparagraph (2) of this

10 subsection (c), consistent with this Section, in

11 accordance with Commission rules and orders, including,

12 but not limited to, adjustments for goodwill, and after

13 any Commission-ordered disallowances and taxes) is more

14 than 50 basis points higher than the rate of return on

15 common equity calculated pursuant to paragraph (3) of this

16 subsection (c) (after adjusting for any penalties to the

17 rate of return on common equity applied pursuant to the

18 performance metrics provision of subsection (f) of this

19 Section), then the participating utility shall apply a

20 credit through the performance-based formula rate that

21 reflects an amount equal to the value of that portion of

22 the earned rate of return on common equity that is more

23 than 50 basis points higher than the rate of return on

24 common equity calculated pursuant to paragraph (3) of this

25 subsection (c) (after adjusting for any penalties to the

26 rate of return on common equity applied pursuant to the

1 performance metrics provision of subsection (f) of this
2 Section) for the prior rate year, adjusted for taxes. If
3 the participating utility's earned rate of return on
4 common equity related to the provision of delivery
5 services for the prior rate year (calculated using costs
6 and capital structure approved by the Commission as
7 provided in subparagraph (2) of this subsection (c),
8 consistent with this Section, in accordance with
9 Commission rules and orders, including, but not limited
10 to, adjustments for goodwill, and after any
11 Commission-ordered disallowances and taxes) is more than
12 50 basis points less than the return on common equity
13 calculated pursuant to paragraph (3) of this subsection
14 (c) (after adjusting for any penalties to the rate of
15 return on common equity applied pursuant to the
16 performance metrics provision of subsection (f) of this
17 Section), then the participating utility shall apply a
18 charge through the performance-based formula rate that
19 reflects an amount equal to the value of that portion of
20 the earned rate of return on common equity that is more
21 than 50 basis points less than the rate of return on common
22 equity calculated pursuant to paragraph (3) of this
23 subsection (c) (after adjusting for any penalties to the
24 rate of return on common equity applied pursuant to the
25 performance metrics provision of subsection (f) of this
26 Section) for the prior rate year, adjusted for taxes.

1 (6) Provide for an annual reconciliation, as described
2 in subsection (d) of this Section, with interest, of the
3 revenue requirement reflected in rates for each calendar
4 year, beginning with the calendar year in which the
5 utility files its performance-based formula rate tariff
6 pursuant to subsection (c) of this Section, with what the
7 revenue requirement would have been had the actual cost
8 information for the applicable calendar year been
9 available at the filing date.

10 The utility shall file, together with its tariff, final
11 data based on its most recently filed FERC Form 1, plus
12 projected plant additions and correspondingly updated
13 depreciation reserve and expense for the calendar year in
14 which the tariff and data are filed, that shall populate the
15 performance-based formula rate and set the initial delivery
16 services rates under the formula. For purposes of this
17 Section, "FERC Form 1" means the Annual Report of Major
18 Electric Utilities, Licensees and Others that electric
19 utilities are required to file with the Federal Energy
20 Regulatory Commission under the Federal Power Act, Sections 3,
21 4(a), 304 and 209, modified as necessary to be consistent with
22 83 Ill. Admin. Code Part 415 as of May 1, 2011. Nothing in this
23 Section is intended to allow costs that are not otherwise
24 recoverable to be recoverable by virtue of inclusion in FERC
25 Form 1.

26 After the utility files its proposed performance-based

1 formula rate structure and protocols and initial rates, the
2 Commission shall initiate a docket to review the filing. The
3 Commission shall enter an order approving, or approving as
4 modified, the performance-based formula rate, including the
5 initial rates, as just and reasonable within 270 days after
6 the date on which the tariff was filed, or, if the tariff is
7 filed within 14 days after October 26, 2011 (the effective
8 date of Public Act 97-616), then by May 31, 2012. Such review
9 shall be based on the same evidentiary standards, including,
10 but not limited to, those concerning the prudence and
11 reasonableness of the costs incurred by the utility, the
12 Commission applies in a hearing to review a filing for a
13 general increase in rates under Article IX of this Act. The
14 initial rates shall take effect within 30 days after the
15 Commission's order approving the performance-based formula
16 rate tariff.

17 Until such time as the Commission approves a different
18 rate design and cost allocation pursuant to subsection (e) of
19 this Section, rate design and cost allocation across customer
20 classes shall be consistent with the Commission's most recent
21 order regarding the participating utility's request for a
22 general increase in its delivery services rates.

23 Subsequent changes to the performance-based formula rate
24 structure or protocols shall be made as set forth in Section
25 9-201 of this Act, but nothing in this subsection (c) is
26 intended to limit the Commission's authority under Article IX

1 and other provisions of this Act to initiate an investigation
2 of a participating utility's performance-based formula rate
3 tariff, provided that any such changes shall be consistent
4 with paragraphs (1) through (6) of this subsection (c). Any
5 change ordered by the Commission shall be made at the same time
6 new rates take effect following the Commission's next order
7 pursuant to subsection (d) of this Section, provided that the
8 new rates take effect no less than 30 days after the date on
9 which the Commission issues an order adopting the change.

10 A participating utility that files a tariff pursuant to
11 this subsection (c) must submit a one-time \$200,000 filing fee
12 at the time the Chief Clerk of the Commission accepts the
13 filing, which shall be a recoverable expense.

14 In the event the performance-based formula rate is
15 terminated, the then current rates shall remain in effect
16 until such time as new rates are set pursuant to Article IX of
17 this Act, ~~subject to retroactive rate adjustment, with~~
18 ~~interest, to reconcile rates charged with actual costs. At~~
19 ~~such time that the performance based formula rate is~~
20 ~~terminated, the participating utility's voluntary commitments~~
21 ~~and obligations under subsection (b) of this Section shall~~
22 ~~immediately terminate, except for the utility's obligation to~~
23 ~~pay an amount already owed to the fund for training grants~~
24 ~~pursuant to a Commission order issued under subsection (b) of~~
25 ~~this Section.~~

26 (d) Subsequent to the Commission's issuance of an order

1 approving the utility's performance-based formula rate
2 structure and protocols, and initial rates under subsection
3 (c) of this Section, the utility shall file, on or before May 1
4 of each year, with the Chief Clerk of the Commission its
5 updated cost inputs to the performance-based formula rate for
6 the applicable rate year and the corresponding new charges.
7 Each such filing shall conform to the following requirements
8 and include the following information:

9 (1) The inputs to the performance-based formula rate
10 for the applicable rate year shall be based on final
11 historical data reflected in the utility's most recently
12 filed annual FERC Form 1 plus projected plant additions
13 and correspondingly updated depreciation reserve and
14 expense for the calendar year in which the inputs are
15 filed. The filing shall also include a reconciliation of
16 the revenue requirement that was in effect for the prior
17 rate year (as set by the cost inputs for the prior rate
18 year) with the actual revenue requirement for the prior
19 rate year (determined using a year-end rate base) that
20 uses amounts reflected in the applicable FERC Form 1 that
21 reports the actual costs for the prior rate year. Any
22 over-collection or under-collection indicated by such
23 reconciliation shall be reflected as a credit against, or
24 recovered as an additional charge to, respectively, with
25 interest calculated at a rate equal to the utility's
26 weighted average cost of capital approved by the

1 Commission for the prior rate year, the charges for the
2 applicable rate year. Provided, however, that the first
3 such reconciliation shall be for the calendar year in
4 which the utility files its performance-based formula rate
5 tariff pursuant to subsection (c) of this Section and
6 shall reconcile (i) the revenue requirement or
7 requirements established by the rate order or orders in
8 effect from time to time during such calendar year
9 (weighted, as applicable) with (ii) the revenue
10 requirement determined using a year-end rate base for that
11 calendar year calculated pursuant to the performance-based
12 formula rate using (A) actual costs for that year as
13 reflected in the applicable FERC Form 1, and (B) for the
14 first such reconciliation only, the cost of equity, which
15 shall be calculated as the sum of 590 basis points plus the
16 average for the applicable calendar year of the monthly
17 average yields of 30-year U.S. Treasury bonds published by
18 the Board of Governors of the Federal Reserve System in
19 its weekly H.15 Statistical Release or successor
20 publication. The first such reconciliation is not intended
21 to provide for the recovery of costs previously excluded
22 from rates based on a prior Commission order finding of
23 imprudence or unreasonableness. Each reconciliation shall
24 be certified by the participating utility in the same
25 manner that FERC Form 1 is certified. The filing shall
26 also include the charge or credit, if any, resulting from

1 the calculation required by paragraph (6) of subsection
2 (c) of this Section.

3 Notwithstanding anything that may be to the contrary,
4 the intent of the reconciliation is to ultimately
5 reconcile the revenue requirement reflected in rates for
6 each calendar year, beginning with the calendar year in
7 which the utility files its performance-based formula rate
8 tariff pursuant to subsection (c) of this Section, with
9 what the revenue requirement determined using a year-end
10 rate base for the applicable calendar year would have been
11 had the actual cost information for the applicable
12 calendar year been available at the filing date.

13 (2) The new charges shall take effect beginning on the
14 first billing day of the following January billing period
15 and remain in effect through the last billing day of the
16 next December billing period regardless of whether the
17 Commission enters upon a hearing pursuant to this
18 subsection (d).

19 (3) The filing shall include relevant and necessary
20 data and documentation for the applicable rate year that
21 is consistent with the Commission's rules applicable to a
22 filing for a general increase in rates or any rules
23 adopted by the Commission to implement this Section.
24 Normalization adjustments shall not be required.
25 Notwithstanding any other provision of this Section or Act
26 or any rule or other requirement adopted by the

1 Commission, a participating utility that is a combination
2 utility with more than one rate zone shall not be required
3 to file a separate set of such data and documentation for
4 each rate zone and may combine such data and documentation
5 into a single set of schedules.

6 Within 45 days after the utility files its annual update
7 of cost inputs to the performance-based formula rate, the
8 Commission shall have the authority, either upon complaint or
9 its own initiative, but with reasonable notice, to enter upon
10 a hearing concerning the prudence and reasonableness of the
11 costs incurred by the utility to be recovered during the
12 applicable rate year that are reflected in the inputs to the
13 performance-based formula rate derived from the utility's FERC
14 Form 1. During the course of the hearing, each objection shall
15 be stated with particularity and evidence provided in support
16 thereof, after which the utility shall have the opportunity to
17 rebut the evidence. Discovery shall be allowed consistent with
18 the Commission's Rules of Practice, which Rules shall be
19 enforced by the Commission or the assigned administrative law
20 judge. The Commission shall apply the same evidentiary
21 standards, including, but not limited to, those concerning the
22 prudence and reasonableness of the costs incurred by the
23 utility, in the hearing as it would apply in a hearing to
24 review a filing for a general increase in rates under Article
25 IX of this Act. The Commission shall not, however, have the
26 authority in a proceeding under this subsection (d) to

1 consider or order any changes to the structure or protocols of
2 the performance-based formula rate approved pursuant to
3 subsection (c) of this Section. In a proceeding under this
4 subsection (d), the Commission shall enter its order no later
5 than the earlier of 240 days after the utility's filing of its
6 annual update of cost inputs to the performance-based formula
7 rate or December 31. The Commission's determinations of the
8 prudence and reasonableness of the costs incurred for the
9 applicable calendar year shall be final upon entry of the
10 Commission's order and shall not be subject to reopening,
11 reexamination, or collateral attack in any other Commission
12 proceeding, case, docket, order, rule or regulation, provided,
13 however, that nothing in this subsection (d) shall prohibit a
14 party from petitioning the Commission to rehear or appeal to
15 the courts the order pursuant to the provisions of this Act.

16 In the event the Commission does not, either upon
17 complaint or its own initiative, enter upon a hearing within
18 45 days after the utility files the annual update of cost
19 inputs to its performance-based formula rate, then the costs
20 incurred for the applicable calendar year shall be deemed
21 prudent and reasonable, and the filed charges shall not be
22 subject to reopening, reexamination, or collateral attack in
23 any other proceeding, case, docket, order, rule, or
24 regulation.

25 A participating utility's first filing of the updated cost
26 inputs, and any Commission investigation of such inputs

1 pursuant to this subsection (d) shall proceed notwithstanding
2 the fact that the Commission's investigation under subsection
3 (c) of this Section is still pending and notwithstanding any
4 other law, order, rule, or Commission practice to the
5 contrary.

6 (e) Nothing in subsections (c) or (d) of this Section
7 shall prohibit the Commission from investigating, or a
8 participating utility from filing, revenue-neutral tariff
9 changes related to rate design of a performance-based formula
10 rate that has been placed into effect for the utility.
11 Following approval of a participating utility's
12 performance-based formula rate tariff pursuant to subsection
13 (c) of this Section, the utility shall make a filing with the
14 Commission within one year after the effective date of the
15 performance-based formula rate tariff that proposes changes to
16 the tariff to incorporate the findings of any final rate
17 design orders of the Commission applicable to the
18 participating utility and entered subsequent to the
19 Commission's approval of the tariff. The Commission shall,
20 after notice and hearing, enter its order approving, or
21 approving with modification, the proposed changes to the
22 performance-based formula rate tariff within 240 days after
23 the utility's filing. Following such approval, the utility
24 shall make a filing with the Commission during each subsequent
25 3-year period that either proposes revenue-neutral tariff
26 changes or re-files the existing tariffs without change, which

1 shall present the Commission with an opportunity to suspend
2 the tariffs and consider revenue-neutral tariff changes
3 related to rate design.

4 (f) Within 30 days after the filing of a tariff pursuant to
5 subsection (c) of this Section, each participating utility
6 shall develop and file with the Commission multi-year metrics
7 designed to achieve, ratably (i.e., in equal segments) over a
8 10-year period, improvement over baseline performance values
9 as follows:

10 (1) Twenty percent improvement in the System Average
11 Interruption Frequency Index, using a baseline of the
12 average of the data from 2001 through 2010.

13 (2) Fifteen percent improvement in the system Customer
14 Average Interruption Duration Index, using a baseline of
15 the average of the data from 2001 through 2010.

16 (3) For a participating utility other than a
17 combination utility, 20% improvement in the System Average
18 Interruption Frequency Index for its Southern Region,
19 using a baseline of the average of the data from 2001
20 through 2010. For purposes of this paragraph (3), Southern
21 Region shall have the meaning set forth in the
22 participating utility's most recent report filed pursuant
23 to Section 16-125 of this Act.

24 (3.5) For a participating utility other than a
25 combination utility, 20% improvement in the System Average
26 Interruption Frequency Index for its Northeastern Region,

1 using a baseline of the average of the data from 2001
2 through 2010. For purposes of this paragraph (3.5),
3 Northeastern Region shall have the meaning set forth in
4 the participating utility's most recent report filed
5 pursuant to Section 16-125 of this Act.

6 (4) Seventy-five percent improvement in the total
7 number of customers who exceed the service reliability
8 targets as set forth in subparagraphs (A) through (C) of
9 paragraph (4) of subsection (b) of 83 Ill. Admin. Code
10 Part 411.140 as of May 1, 2011, using 2010 as the baseline
11 year.

12 (5) Reduction in issuance of estimated electric bills:
13 90% improvement for a participating utility other than a
14 combination utility, and 56% improvement for a
15 participating utility that is a combination utility, using
16 a baseline of the average number of estimated bills for
17 the years 2008 through 2010.

18 (6) Consumption on inactive meters: 90% improvement
19 for a participating utility other than a combination
20 utility, and 56% improvement for a participating utility
21 that is a combination utility, using a baseline of the
22 average unbilled kilowatthours for the years 2009 and
23 2010.

24 (7) Unaccounted for energy: 50% improvement for a
25 participating utility other than a combination utility
26 using a baseline of the non-technical line loss

1 unaccounted for energy kilowatthours for the year 2009.

2 (8) Uncollectible expense: reduce uncollectible
3 expense by at least \$30,000,000 for a participating
4 utility other than a combination utility and by at least
5 \$3,500,000 for a participating utility that is a
6 combination utility, using a baseline of the average
7 uncollectible expense for the years 2008 through 2010.

8 (9) Opportunities for minority-owned and female-owned
9 business enterprises: design a performance metric
10 regarding the creation of opportunities for minority-owned
11 and female-owned business enterprises consistent with
12 State and federal law using a base performance value of
13 the percentage of the participating utility's capital
14 expenditures that were paid to minority-owned and
15 female-owned business enterprises in 2010.

16 The definitions set forth in 83 Ill. Admin. Code Part
17 411.20 as of May 1, 2011 shall be used for purposes of
18 calculating performance under paragraphs (1) through (3.5) of
19 this subsection (f), provided, however, that the participating
20 utility may exclude up to 9 extreme weather event days from
21 such calculation for each year, and provided further that the
22 participating utility shall exclude 9 extreme weather event
23 days when calculating each year of the baseline period to the
24 extent that there are 9 such days in a given year of the
25 baseline period. For purposes of this Section, an extreme
26 weather event day is a 24-hour calendar day (beginning at

1 12:00 a.m. and ending at 11:59 p.m.) during which any weather
2 event (e.g., storm, tornado) caused interruptions for 10,000
3 or more of the participating utility's customers for 3 hours
4 or more. If there are more than 9 extreme weather event days in
5 a year, then the utility may choose no more than 9 extreme
6 weather event days to exclude, provided that the same extreme
7 weather event days are excluded from each of the calculations
8 performed under paragraphs (1) through (3.5) of this
9 subsection (f).

10 The metrics shall include incremental performance goals
11 for each year of the 10-year period, which shall be designed to
12 demonstrate that the utility is on track to achieve the
13 performance goal in each category at the end of the 10-year
14 period. The utility shall elect when the 10-year period shall
15 commence for the metrics set forth in subparagraphs (1)
16 through (4) and (9) of this subsection (f), provided that it
17 begins no later than 14 months following the date on which the
18 utility begins investing pursuant to subsection (b) of this
19 Section, and when the 10-year period shall commence for the
20 metrics set forth in subparagraphs (5) through (8) of this
21 subsection (f), provided that it begins no later than 14
22 months following the date on which the Commission enters its
23 order approving the utility's Advanced Metering Infrastructure
24 Deployment Plan pursuant to subsection (c) of Section 16-108.6
25 of this Act.

26 The metrics and performance goals set forth in

1 subparagraphs (5) through (8) of this subsection (f) are based
2 on the assumptions that the participating utility may fully
3 implement the technology described in subsection (b) of this
4 Section, including utilizing the full functionality of such
5 technology and that there is no requirement for personal
6 on-site notification. If the utility is unable to meet the
7 metrics and performance goals set forth in subparagraphs (5)
8 through (8) of this subsection (f) for such reasons, and the
9 Commission so finds after notice and hearing, then the utility
10 shall be excused from compliance, but only to the limited
11 extent achievement of the affected metrics and performance
12 goals was hindered by the less than full implementation.

13 (f-5) The financial penalties applicable to the metrics
14 described in subparagraphs (1) through (8) of subsection (f)
15 of this Section, as applicable, shall be applied through an
16 adjustment to the participating utility's return on equity of
17 no more than a total of 30 basis points in each of the first 3
18 years, of no more than a total of 34 basis points in each of
19 the 3 years thereafter, and of no more than a total of 38 basis
20 points in each of the 4 years thereafter, as follows:

21 (1) With respect to each of the incremental annual
22 performance goals established pursuant to paragraph (1) of
23 subsection (f) of this Section,

24 (A) for each year that a participating utility
25 other than a combination utility does not achieve the
26 annual goal, the participating utility's return on

1 equity shall be reduced as follows: during years 1
2 through 3, by 5 basis points; during years 4 through 6,
3 by 6 basis points; and during years 7 through 10, by 7
4 basis points; and

5 (B) for each year that a participating utility
6 that is a combination utility does not achieve the
7 annual goal, the participating utility's return on
8 equity shall be reduced as follows: during years 1
9 through 3, by 10 basis points; during years 4 through
10 6, by 12 basis points; and during years 7 through 10,
11 by 14 basis points.

12 (2) With respect to each of the incremental annual
13 performance goals established pursuant to paragraph (2) of
14 subsection (f) of this Section, for each year that the
15 participating utility does not achieve each such goal, the
16 participating utility's return on equity shall be reduced
17 as follows: during years 1 through 3, by 5 basis points;
18 during years 4 through 6, by 6 basis points; and during
19 years 7 through 10, by 7 basis points.

20 (3) With respect to each of the incremental annual
21 performance goals established pursuant to paragraphs (3)
22 and (3.5) of subsection (f) of this Section, for each year
23 that a participating utility other than a combination
24 utility does not achieve both such goals, the
25 participating utility's return on equity shall be reduced
26 as follows: during years 1 through 3, by 5 basis points;

1 during years 4 through 6, by 6 basis points; and during
2 years 7 through 10, by 7 basis points.

3 (4) With respect to each of the incremental annual
4 performance goals established pursuant to paragraph (4) of
5 subsection (f) of this Section, for each year that the
6 participating utility does not achieve each such goal, the
7 participating utility's return on equity shall be reduced
8 as follows: during years 1 through 3, by 5 basis points;
9 during years 4 through 6, by 6 basis points; and during
10 years 7 through 10, by 7 basis points.

11 (5) With respect to each of the incremental annual
12 performance goals established pursuant to subparagraph (5)
13 of subsection (f) of this Section, for each year that the
14 participating utility does not achieve at least 95% of
15 each such goal, the participating utility's return on
16 equity shall be reduced by 5 basis points for each such
17 unachieved goal.

18 (6) With respect to each of the incremental annual
19 performance goals established pursuant to paragraphs (6),
20 (7), and (8) of subsection (f) of this Section, as
21 applicable, which together measure non-operational
22 customer savings and benefits relating to the
23 implementation of the Advanced Metering Infrastructure
24 Deployment Plan, as defined in Section 16-108.6 of this
25 Act, the performance under each such goal shall be
26 calculated in terms of the percentage of the goal

1 achieved. The percentage of goal achieved for each of the
2 goals shall be aggregated, and an average percentage value
3 calculated, for each year of the 10-year period. If the
4 utility does not achieve an average percentage value in a
5 given year of at least 95%, the participating utility's
6 return on equity shall be reduced by 5 basis points.

7 The financial penalties shall be applied as described in
8 this subsection (f-5) for the 12-month period in which the
9 deficiency occurred through a separate tariff mechanism, which
10 shall be filed by the utility together with its metrics. In the
11 event the formula rate tariff established pursuant to
12 subsection (c) of this Section terminates, the utility's
13 obligations under subsection (f) of this Section and this
14 subsection (f-5) shall also terminate, provided, however, that
15 the tariff mechanism established pursuant to subsection (f) of
16 this Section and this subsection (f-5) shall remain in effect
17 until any penalties due and owing at the time of such
18 termination are applied.

19 The Commission shall, after notice and hearing, enter an
20 order within 120 days after the metrics are filed approving,
21 or approving with modification, a participating utility's
22 tariff or mechanism to satisfy the metrics set forth in
23 subsection (f) of this Section. On June 1 of each subsequent
24 year, each participating utility shall file a report with the
25 Commission that includes, among other things, a description of
26 how the participating utility performed under each metric and

1 an identification of any extraordinary events that adversely
2 impacted the utility's performance. Whenever a participating
3 utility does not satisfy the metrics required pursuant to
4 subsection (f) of this Section, the Commission shall, after
5 notice and hearing, enter an order approving financial
6 penalties in accordance with this subsection (f-5). The
7 Commission-approved financial penalties shall be applied
8 beginning with the next rate year. Nothing in this Section
9 shall authorize the Commission to reduce or otherwise obviate
10 the imposition of financial penalties for failing to achieve
11 one or more of the metrics established pursuant to
12 subparagraph (1) through (4) of subsection (f) of this
13 Section.

14 (g) On or before July 31, 2014, each participating utility
15 shall file a report with the Commission that sets forth the
16 average annual increase in the average amount paid per
17 kilowatthour for residential eligible retail customers,
18 exclusive of the effects of energy efficiency programs,
19 comparing the 12-month period ending May 31, 2012; the
20 12-month period ending May 31, 2013; and the 12-month period
21 ending May 31, 2014. For a participating utility that is a
22 combination utility with more than one rate zone, the weighted
23 average aggregate increase shall be provided. The report shall
24 be filed together with a statement from an independent auditor
25 attesting to the accuracy of the report. The cost of the
26 independent auditor shall be borne by the participating

1 utility and shall not be a recoverable expense. "The average
2 amount paid per kilowatthour" shall be based on the
3 participating utility's tariffed rates actually in effect and
4 shall not be calculated using any hypothetical rate or
5 adjustments to actual charges (other than as specified for
6 energy efficiency) as an input.

7 In the event that the average annual increase exceeds 2.5%
8 as calculated pursuant to this subsection (g), then Sections
9 16-108.5, 16-108.6, 16-108.7, and 16-108.8 of this Act, other
10 than this subsection, shall be inoperative as they relate to
11 the utility and its service area as of the date of the report
12 due to be submitted pursuant to this subsection and the
13 utility shall no longer be eligible to annually update the
14 performance-based formula rate tariff pursuant to subsection
15 (d) of this Section. In such event, the then current rates
16 shall remain in effect until such time as new rates are set
17 pursuant to Article IX of this Act, ~~subject to retroactive~~
18 ~~adjustment, with interest, to reconcile rates charged with~~
19 ~~actual costs, and the participating utility's voluntary~~
20 ~~commitments and obligations under subsection (b) of this~~
21 ~~Section shall immediately terminate, except for the utility's~~
22 ~~obligation to pay an amount already owed to the fund for~~
23 ~~training grants pursuant to a Commission order issued under~~
24 ~~subsection (b) of this Section.~~

25 In the event that the average annual increase is 2.5% or
26 less as calculated pursuant to this subsection (g), then the

1 performance-based formula rate shall remain in effect as set
2 forth in this Section.

3 For purposes of this Section, the amount per kilowatthour
4 means the total amount paid for electric service expressed on
5 a per kilowatthour basis, and the total amount paid for
6 electric service includes without limitation amounts paid for
7 supply, transmission, distribution, surcharges, and add-on
8 taxes exclusive of any increases in taxes or new taxes imposed
9 after October 26, 2011 (the effective date of Public Act
10 97-616). For purposes of this Section, "eligible retail
11 customers" shall have the meaning set forth in Section
12 16-111.5 of this Act.

13 The fact that this Section becomes inoperative as set
14 forth in this subsection shall not be construed to mean that
15 the Commission may reexamine or otherwise reopen prudence or
16 reasonableness determinations already made.

17 (h) By December 31, 2017, the Commission shall prepare and
18 file with the General Assembly a report on the infrastructure
19 program and the performance-based formula rate. The report
20 shall include the change in the average amount per
21 kilowatthour paid by residential customers between June 1,
22 2011 and May 31, 2017. If the change in the total average rate
23 paid exceeds 2.5% compounded annually, the Commission shall
24 include in the report an analysis that shows the portion of the
25 change due to the delivery services component and the portion
26 of the change due to the supply component of the rate. The

1 report shall include separate sections for each participating
2 utility.

3 Sections 16-108.5, 16-108.6, 16-108.7, and 16-108.8 of
4 this Act, other than this subsection (h), are inoperative
5 after December 31, 2021 ~~2022~~ for every participating utility,
6 after which time a participating utility shall no longer be
7 eligible to annually update the performance-based formula rate
8 tariff pursuant to subsection (d) of this Section. At such
9 time, the then current rates shall remain in effect until such
10 time as new rates are set pursuant to Article IX of this Act,
11 ~~subject to retroactive adjustment, with interest, to reconcile~~
12 ~~rates charged with actual costs.~~

13 The fact that this Section becomes inoperative as set
14 forth in this subsection shall not be construed to mean that
15 the Commission may reexamine or otherwise reopen prudence or
16 reasonableness determinations already made.

17 (i) While a participating utility may use, develop, and
18 maintain broadband systems and the delivery of broadband
19 services, voice-over-internet-protocol services,
20 telecommunications services, and cable and video programming
21 services for use in providing delivery services and Smart Grid
22 functionality or application to its retail customers,
23 including, but not limited to, the installation,
24 implementation and maintenance of Smart Grid electric system
25 upgrades as defined in Section 16-108.6 of this Act, a
26 participating utility is prohibited from offering to its

1 retail customers broadband services or the delivery of
2 broadband services, voice-over-internet-protocol services,
3 telecommunications services, or cable or video programming
4 services, unless they are part of a service directly related
5 to delivery services or Smart Grid functionality or
6 applications as defined in Section 16-108.6 of this Act, and
7 from recovering the costs of such offerings from retail
8 customers.

9 (j) Nothing in this Section is intended to legislatively
10 overturn the opinion issued in Commonwealth Edison Co. v. Ill.
11 Commerce Comm'n, Nos. 2-08-0959, 2-08-1037, 2-08-1137,
12 1-08-3008, 1-08-3030, 1-08-3054, 1-08-3313 cons. (Ill. App.
13 Ct. 2d Dist. Sept. 30, 2010). Public Act 97-616 shall not be
14 construed as creating a contract between the General Assembly
15 and the participating utility, and shall not establish a
16 property right in the participating utility.

17 (k) The changes made in subsections (c) and (d) of this
18 Section by Public Act 98-15 are intended to be a restatement
19 and clarification of existing law, and intended to give
20 binding effect to the provisions of House Resolution 1157
21 adopted by the House of Representatives of the 97th General
22 Assembly and Senate Resolution 821 adopted by the Senate of
23 the 97th General Assembly that are reflected in paragraph (3)
24 of this subsection. In addition, Public Act 98-15 preempts and
25 supersedes any final Commission orders entered in Docket Nos.
26 11-0721, 12-0001, 12-0293, and 12-0321 to the extent

1 inconsistent with the amendatory language added to subsections
2 (c) and (d).

3 (1) No earlier than 5 business days after May 22, 2013
4 (the effective date of Public Act 98-15), each
5 participating utility shall file any tariff changes
6 necessary to implement the amendatory language set forth
7 in subsections (c) and (d) of this Section by Public Act
8 98-15 and a revised revenue requirement under the
9 participating utility's performance-based formula rate.
10 The Commission shall enter a final order approving such
11 tariff changes and revised revenue requirement within 21
12 days after the participating utility's filing.

13 (2) Notwithstanding anything that may be to the
14 contrary, a participating utility may file a tariff to
15 retroactively recover its previously unrecovered actual
16 costs of delivery service that are no longer subject to
17 recovery through a reconciliation adjustment under
18 subsection (d) of this Section. This retroactive recovery
19 shall include any derivative adjustments resulting from
20 the changes to subsections (c) and (d) of this Section by
21 Public Act 98-15. Such tariff shall allow the utility to
22 assess, on current customer bills over a period of 12
23 monthly billing periods, a charge or credit related to
24 those unrecovered costs with interest at the utility's
25 weighted average cost of capital during the period in
26 which those costs were unrecovered. A participating

1 utility may file a tariff that implements a retroactive
2 charge or credit as described in this paragraph for
3 amounts not otherwise included in the tariff filing
4 provided for in paragraph (1) of this subsection (k). The
5 Commission shall enter a final order approving such tariff
6 within 21 days after the participating utility's filing.

7 (3) The tariff changes described in paragraphs (1) and
8 (2) of this subsection (k) shall relate only to, and be
9 consistent with, the following provisions of Public Act
10 98-15: paragraph (2) of subsection (c) regarding year-end
11 capital structure, subparagraph (D) of paragraph (4) of
12 subsection (c) regarding pension assets, and subsection
13 (d) regarding the reconciliation components related to
14 year-end rate base and interest calculated at a rate equal
15 to the utility's weighted average cost of capital.

16 (4) Nothing in this subsection is intended to effect a
17 dismissal of or otherwise affect an appeal from any final
18 Commission orders entered in Docket Nos. 11-0721, 12-0001,
19 12-0293, and 12-0321 other than to the extent of the
20 amendatory language contained in subsections (c) and (d)
21 of this Section of Public Act 98-15.

22 (1) Each participating utility shall be deemed to have
23 been in full compliance with all requirements of subsection
24 (b) of this Section, subsection (c) of this Section, Section
25 16-108.6 of this Act, and all Commission orders entered
26 pursuant to Sections 16-108.5 and 16-108.6 of this Act, up to

1 and including May 22, 2013 (the effective date of Public Act
2 98-15). The Commission shall not undertake any investigation
3 of such compliance and no penalty shall be assessed or adverse
4 action taken against a participating utility for noncompliance
5 with Commission orders associated with subsection (b) of this
6 Section, subsection (c) of this Section, and Section 16-108.6
7 of this Act prior to such date. Each participating utility
8 other than a combination utility shall be permitted, without
9 penalty, a period of 12 months after such effective date to
10 take actions required to ensure its infrastructure investment
11 program is in compliance with subsection (b) of this Section
12 and with Section 16-108.6 of this Act. Provided further, the
13 following subparagraphs shall apply to a participating utility
14 other than a combination utility:

15 (A) if the Commission has initiated a proceeding
16 pursuant to subsection (e) of Section 16-108.6 of this Act
17 that is pending as of May 22, 2013 (the effective date of
18 Public Act 98-15), then the order entered in such
19 proceeding shall, after notice and hearing, accelerate the
20 commencement of the meter deployment schedule approved in
21 the final Commission order on rehearing entered in Docket
22 No. 12-0298;

23 (B) if the Commission has entered an order pursuant to
24 subsection (e) of Section 16-108.6 of this Act prior to
25 May 22, 2013 (the effective date of Public Act 98-15) that
26 does not accelerate the commencement of the meter

1 deployment schedule approved in the final Commission order
2 on rehearing entered in Docket No. 12-0298, then the
3 utility shall file with the Commission, within 45 days
4 after such effective date, a plan for accelerating the
5 commencement of the utility's meter deployment schedule
6 approved in the final Commission order on rehearing
7 entered in Docket No. 12-0298; the Commission shall reopen
8 the proceeding in which it entered its order pursuant to
9 subsection (e) of Section 16-108.6 of this Act and shall,
10 after notice and hearing, enter an amendatory order that
11 approves or approves as modified such accelerated plan
12 within 90 days after the utility's filing; or

13 (C) if the Commission has not initiated a proceeding
14 pursuant to subsection (e) of Section 16-108.6 of this Act
15 prior to May 22, 2013 (the effective date of Public Act
16 98-15), then the utility shall file with the Commission,
17 within 45 days after such effective date, a plan for
18 accelerating the commencement of the utility's meter
19 deployment schedule approved in the final Commission order
20 on rehearing entered in Docket No. 12-0298 and the
21 Commission shall, after notice and hearing, approve or
22 approve as modified such plan within 90 days after the
23 utility's filing.

24 Any schedule for meter deployment approved by the
25 Commission pursuant to this subsection (1) shall take into
26 consideration procurement times for meters and other equipment

1 and operational issues. Nothing in Public Act 98-15 shall
2 shorten or extend the end dates for the 5-year or 10-year
3 periods set forth in subsection (b) of this Section or Section
4 16-108.6 of this Act. Nothing in this subsection is intended
5 to address whether a participating utility has, or has not,
6 satisfied any or all of the metrics and performance goals
7 established pursuant to subsection (f) of this Section.

8 (m) The provisions of Public Act 98-15 are severable under
9 Section 1.31 of the Statute on Statutes.

10 (Source: P.A. 99-143, eff. 7-27-15; 99-642, eff. 7-28-16;
11 99-906, eff. 6-1-17; 100-840, eff. 8-13-18.)

12 (220 ILCS 5/16-108.17 new)

13 Sec. 16-108.17. Distribution system planning.

14 (a) It is the policy of the State of Illinois to promote
15 cost-effective distribution system planning that minimizes
16 long-term costs for Illinois customers and supports the
17 achievement of State carbon reduction and clean energy policy
18 goals.

19 The General Assembly makes the following findings:

20 (1) Investment in infrastructure to support existing
21 and new distributed energy resources creates significant
22 economic development, environmental and public health
23 benefits in the State of Illinois.

24 (2) Distribution system planning is an important tool
25 for the Commission, electric utilities, and stakeholders

1 to identify and support opportunities to maintain and
2 enhance the safety, security, reliability, and resilience
3 of the electricity grid, at fair and reasonable costs,
4 consistent with the State's clean energy policies.

5 (3) A distribution system planning process can
6 minimize distribution system costs to consumers while
7 advancing other Illinois clean energy policy goals by
8 supporting integration of distributed energy resources and
9 the procurement of non-wires alternatives to capital
10 investments.

11 (4) The planning process should maximize the sharing
12 of information, minimize overlap with existing filing
13 requirements to ensure robust stakeholder participation,
14 and recognize the responsibility of the utility to manage
15 the grid in a safe, reliable manner.

16 (b) Terms used in this Section shall have the same
17 meanings as defined in Sections 16-102 and 16-107.6.

18 (c) An electric utility serving more than 100,000
19 customers on January 1, 2009 shall prepare a distribution
20 system investment plan that meets the requirements of this
21 Section, and shall file said plan with the Commission no later
22 than July 1, 2022.

23 (d) The distribution system investment plan shall be
24 designed to:

25 (1) optimize utilization of electricity grid assets
26 and resources to minimize total system costs;

1 (2) enable greater customer engagement, empowerment,
2 and options for energy services;

3 (3) move toward the creation of efficient,
4 cost-effective, accessible grid platforms for new
5 products, new services, and opportunities for adoption of
6 new distributed technologies;

7 (4) bring the benefits of grid modernization and the
8 deployment of distributed energy resources to all
9 communities, including economically disadvantaged
10 communities throughout Illinois;

11 (5) reduce grid congestion to facilitate availability
12 and development of distributed energy resources;

13 (6) provide for the analysis of the cost-effectiveness
14 of proposed system improvements;

15 (7) to the maximum extent possible, achieve or support
16 the achievement of reduction of greenhouse gas emissions;
17 and

18 (8) support existing Illinois policy goals promoting
19 the long-term growth of energy efficiency, demand response
20 and investments in renewable energy resources.

21 (e) The distribution investment system plan shall provide,
22 at a minimum, the following information:

23 (1) Distribution system planning processes. A
24 description of the utility's distribution system planning
25 process, including:

26 (A) the overview of the process, including

1 frequency and duration of the process, roles and
2 responsibilities of individuals and organizations
3 involved;

4 (B) a summary of the meetings with stakeholders
5 conducted prior to filing of the plan with the
6 Commission. Such meetings shall number at least two,
7 and should be held at times and in places to maximize,
8 to the extent possible, stakeholder and public
9 participation, including representatives of
10 environmental justice and low-income communities. The
11 summary shall include at a minimum, the participants
12 in meetings, the material covered in the meetings, and
13 a summary of questions asked and answers provided;

14 (C) a description of other internal planning
15 processes; and

16 (D) the description of any alignment with other
17 external planning processes, such as those required by
18 a regional transmission operator.

19 (2) Baseline distribution system data. A discussion
20 detailing the current operating conditions for the
21 distribution system, including a detailed description,
22 with supporting data, of system conditions, including
23 asset age and useful life, ratings, loadings and other
24 characteristics, as well as:

25 (A) distribution system annual line loss
26 percentage for the prior year (average of 12 monthly

1 loss percentages);

2 (B) the maximum hourly coincident load (kw) for
3 the distribution system as measured at the interface
4 between the transmission and distribution system;

5 (C) total distribution substation capacity in kVA;

6 (D) total distribution transformer capacity in
7 kVA;

8 (E) total miles of overhead distribution wire;

9 (F) total miles of underground distribution wire;

10 (G) a list of all high-voltage and low-voltage
11 substations, or circuits, along with the following for
12 each substation: nameplate rating; firm capacity (or
13 maximum desired peak demand given contingency or
14 redundancies desired); maximum historic peak demand,
15 including specific days and hours of the days peak
16 load was experienced; average annual peak load growth
17 over the previous 5 years; forecast annual peak load
18 growth over the next 10 years; types of monitoring and
19 control capabilities, or planned additions of such; a
20 summary of existing system visibility and measurement
21 (feeder-level and time) interval and planned
22 visibility improvements; including information on
23 percentage of the system with each level of visibility
24 (such as maximum and minimum, daytime and nighttime,
25 monthly and daily reads, automated or manual); and
26 number of customer meters with advanced metering

1 infrastructure/smart meters and those without, planned
2 advanced metering infrastructure investments, and
3 overview of functionality available; and

4 (H) discussion of how IEEE Std. 1547-2018 impacts
5 distribution system planning considerations
6 (including, but not limited to, opportunities and
7 constraints related to interoperability).

8 (3) Financial data:

9 (A) historical distribution system spending for
10 the past five years, in each of the following
11 categories: age-related replacements and asset
12 renewal; system expansion or upgrades for capacity;
13 and system expansion or upgrades for reliability and
14 power quality; and

15 (B) projected distribution system spending for ten
16 years into the future for the categories listed in
17 paragraph (1) of this subsection (e), itemizing any
18 non-traditional distribution projects, including:
19 planned distribution capital projects, cost drivers
20 for the project, and summary of anticipated changes in
21 historic spending; and any available cost-benefit
22 analysis in which the company evaluated a
23 non-traditional distribution system solution to either
24 a capital or operating upgrade or replacement.

25 (4) Distributed energy resources deployment.

26 (A) Discussion of how the impacts of the utility's

1 energy efficiency programs are factored into load
2 forecasts at the substation or circuit level.

3 (B) Discussion of how other distributed energy
4 resources are factored into load forecasts and any
5 expected changes in load forecasting methodology.

6 (C) Total costs spent on distributed energy
7 resource generation installation in the prior year.

8 (D) Total charges to installers for distributed
9 energy resource generation installation in the prior
10 year.

11 (E) Total nameplate kw of distributed energy
12 resource generation systems that completed
13 interconnection to the system in the prior year.

14 (F) Total number of distributed energy resource
15 generation systems that completed interconnection to
16 the system in the prior year.

17 (G) Current distributed energy resource deployment
18 by type, size, and geographic dispersion.

19 (H) Information on geographic areas of existing or
20 forecast low, moderate and high distributed energy
21 resource penetration.

22 (I) List of geographic areas with existing or
23 forecast abnormal voltage or frequency issues that may
24 benefit from advanced inverter technology.

25 (5) Hosting capacity and interconnection requirements.

26 A hosting capacity analysis, made available to the public

1 on the Illinois Commerce Commission's website with mapping
2 and GIS capability, with detail at the block level, that
3 includes a detailed and current analysis of how much
4 capacity is available on each substation circuit, and node
5 for integrating new distributed energy resources as
6 allowed by thermal ratings, protection system limits,
7 power quality standards, and safety standards. The
8 analysis must also include:

9 (A) circuit level maps and downloadable data sets
10 for public use;

11 (B) an assessment of the impact of utility
12 investments over the next five years; and

13 (C) a narrative describing how the hosting
14 capacity analysis advances customer-sited distributed
15 energy resources (including PV and electric storage
16 systems), and how the identification of
17 interconnection points on the distribution system will
18 support the continued development of distributed
19 generation resources.

20 (6) Scenario analysis and forecasting. The plan shall
21 include load forecasts over the next ten years at the
22 substation and circuit level using dynamic load
23 forecasting, utilizing multiple scenarios and
24 probabilistic planning. In particular, the plan shall
25 include the following:

26 (A) Definitions and a discussion of the

1 development of base-case, medium and high scenarios of
2 distributed energy resource deployment. Scenarios shall
3 reflect a reasonable mix of individual distributed energy
4 resource adoption and aggregated or bundled distributed
5 energy resource service types and shall include the
6 projected load forecast impacts of distributed energy
7 resource investments, including investments in energy
8 efficiency and demand response. The scenario analysis
9 shall include information on the methodologies used to
10 develop the low, medium and high scenarios, including the
11 distributed energy resource adoption rates, geographic
12 deployment assumptions, expected distributed energy
13 resource load profiles, and any other relevant assumptions
14 factored into the scenario discussion.

15 (B) A discussion of the processes and tools
16 necessary to accommodate the specified levels of
17 distributed energy resource adoption, including an
18 analysis of the sufficiency of existing tools. Provide a
19 discussion of the system impacts that may arise from
20 increased distributed energy resource adoption, potential
21 barriers to distributed energy resource integration, and
22 the system upgrades necessary to accommodate the
23 distributed energy resource at the listed penetration
24 levels.

25 (C) A discussion of how present and projected
26 reductions in the demand for energy may result from

1 measures to improve energy efficiency in the industrial,
2 commercial, residential, and energy producing sectors of
3 the utility service territory.

4 (D) Information on anticipated impacts from FERC
5 Order 841, and a discussion of potential impacts from the
6 related FERC Docket No. RM18-9-000.

7 (E) Discussion of how the distribution system
8 planning is consistent with Commission orders regarding
9 the procurement of renewable resources as discussed in
10 Section 16-111.5, energy efficiency plans as discussed in
11 Section 8-103B, distributed generation rebates as
12 discussed in Section 16-107.6, and any other order
13 affecting the goals described in subsection (d) of this
14 Section.

15 (7) Non-wires alternatives analysis:

16 (A) Detailed discussion of all distribution system
17 projects in the coming ten years that are anticipated
18 to have a total cost of greater than \$5,000,000. For
19 these projects, provide an analysis of the viability,
20 price, and long-term value of non-wires alternatives
21 (including increased local energy efficiency beyond
22 what will occur through system-wide programs), demand
23 response, distributed generation, and storage. Such
24 analysis must include consideration of the benefits of
25 distributed energy resources beyond meeting local
26 reliability needs (for example, avoided energy costs,

1 avoided system capacity costs, avoided transmission
2 costs, and reduced exposure to future environmental
3 regulations).

4 (B) Identification of the project types that would
5 benefit from non-traditional solutions (for example,
6 load relief or reliability).

7 (C) Timelines needed to consider alternatives to
8 any project types that would benefit from
9 non-traditional solutions (including time for any
10 requests for proposals, response, review, contracting
11 and implementation).

12 (D) The cost threshold of any project type that
13 would need to be met to have a non-traditional
14 solution reviewed.

15 (8) Proposed distribution system investments. The plan
16 shall identify proposed investments, including the reason
17 for investment, projected costs, scope of work,
18 prioritization, sequencing of investments, and
19 explanations of how planned investments will support the
20 goals described in subsection (d) of this Section.

21 (9) Cybersecurity. The Plan shall include a high-level
22 summary of the utility's planning process for addressing
23 cyber and physical security risks. As part of the summary,
24 the qualifying retail utility is not required to report
25 any confidential, proprietary or other information in the
26 plan that could in any way compromise or decrease the

1 utility's ability to prevent, mitigate, or recover from
2 potential system disruptions caused by physical events or
3 cyberattacks.

4 (f) Within 45 days after the filing of the distribution
5 system investment plan, the Commission shall, with reasonable
6 notice, open an investigation to consider whether the plan
7 meets the objectives of and contains the information required
8 by this Section. The Commission shall approve, approve with
9 modifications, or reject the plan within 270 days from the
10 date of filing. The Commission may approve the plan if it finds
11 that the plan will achieve the goals described in subsection
12 (d) of this Section and contains the information described in
13 subsection (e) of this Section. Proceedings under this Section
14 shall proceed according to the rules provided by Article IX of
15 this Act. Information contained in the approved plan shall be
16 considered part of the record in any Commission proceeding
17 under Section 16-107.6 of this Act, provided that a final
18 order has not been entered prior to the initial filing date
19 referenced in subsection (c).

20 (g) Plan updates: the utility shall file an update to the
21 plan on June 1, 2024, and every 24 months thereafter. This
22 update shall describe the distribution system investments made
23 during the prior plan period, the investments planned to be
24 made in the following 24 months, and updates to the
25 information required by subsection (e) of this Section. Within
26 35 days after the utility files its report, the Commission

1 shall, upon its own initiative, open an investigation
2 regarding the utility's plan update to ensure that the
3 objectives described in subsection (d) of this Section are
4 being achieved. If the Commission finds, after notice and
5 hearing, that the utility's plan is materially deficient, the
6 Commission shall issue an order requiring the utility to
7 devise a corrective action plan, subject to Commission
8 approval, to bring the plan into compliance with the goals of
9 this Section. The Commission's order shall be entered within
10 270 days after the utility files its annual report.

11 (h) The plan is designed to provide information to the
12 Commission, stakeholders and the public concerning the
13 distribution grid, and should provide a guide for future
14 utility investment in the distribution grid. Therefore, the
15 contents of a plan filed under this Section shall be available
16 for evidence in Commission proceedings. However, omission from
17 an approved plan shall not render any future utility
18 expenditure to be considered unreasonable or imprudent. The
19 Commission may, upon sufficient evidence, allow expenditures
20 that were not part of any particular distribution plan.

21 (220 ILCS 5/16-108.18 new)

22 Sec. 16-108.18. Independent audit.

23 (a) Prior to the filing of the initial distribution system
24 investment plan described in Section 16-108.17, an independent
25 audit of the current state of the grid, and of the expenditures

1 made since 2011, will need to be made.

2 The General Assembly makes the following findings:

3 (1) Pursuant to the Energy Infrastructure
4 Modernization Act and subsequent clarifying legislation,
5 utilities in this State that serve over 100,000 customers
6 have made substantial investments to the grid and to
7 advanced metering infrastructure.

8 (2) It is necessary to understand the benefits to the
9 grid and to customers from these expenditures.

10 (3) Before a distribution system investment plan is
11 filed under Section 16-108.17, it is necessary to
12 understand the current condition of the distribution grid.

13 (4) It is also necessary for utilities, the
14 Commission, and stakeholders to have an independent set of
15 data to establish the baseline for future distribution
16 grid spending.

17 (5) The Commission has authority and jurisdiction for
18 the requirements of this Section under Section 8-102.

19 (b) Terms used in this Section shall have the same meaning
20 as in Sections 16-102, 16-107.6 and 16-108.

21 (c) Within 30 days after the adoption of this Act, the
22 Commission shall order an audit of each public utility serving
23 over 100,000 customers in the State examining the following:

24 (1) An assessment of the distribution grid, as
25 described in paragraph (3) of subsection (a), with the
26 exception that the data referenced in paragraph (3) of

1 subsection (a) shall be for the preceding 10 years. The
2 Commission shall have the authority to require additional
3 items which it deems necessary.

4 (2) An analysis of the utility's capital projects in
5 the preceding ten years, with respect to the value of such
6 spending for grid optimization and customer value, such
7 projects to include advanced meter installation and
8 related programs.

9 (3) An analysis of the utility management of the
10 distribution grid, including initiatives to optimize
11 reliability and efficiency of the grid, other than through
12 capital spending.

13 (4) An analysis of the utility's existing policies,
14 including their performance in implementation, concerning
15 the planning and execution of grid projects.

16 (5) Creation of a data baseline to inform the
17 beginning of the distribution planning process described
18 in Section 16-108.17.

19 (6) Identification of any deficiencies in data which
20 may impact the distribution planning process.

21 (d) The audit described above should be reflected in a
22 report delivered to the Commission, describing the information
23 specified above, and any recommendations for the distribution
24 planning process. Such report is to be delivered no later than
25 180 days after the Commission Order. It is understood that any
26 public report may not contain items that are confidential or

1 proprietary.

2 (e) The costs of this audit shall be borne by the
3 respective utilities, such costs not to exceed \$250,000 for
4 each utility. Such costs are not deemed to be a recoverable
5 expense.

6 (f) The Commission shall have the authority to retain the
7 services of the auditor to assist with the distribution
8 planning process, as well as in docketed proceedings. Such
9 expenses for these activities are to be compensated by the
10 Commission.

11 (220 ILCS 5/16-108.19 new)

12 Sec. 16-108.19. Division of Integrated Distribution
13 Planning.

14 (a) The Commission shall establish the Division of
15 Integrated Distribution Planning within the Bureau of Public
16 Utilities. The Division shall be staffed by no less than 13
17 professionals, including 4 engineers, 1 rate analyst, 2
18 accountants, 1 policy analyst, 1 utility research and analysis
19 analyst, 1 cybersecurity analyst, 1 information technology
20 specialist, and 2 lawyers to review and evaluate distribution
21 system investment plans, updates to distribution system
22 investment plans, audits, and other duties as assigned by the
23 Chief of the Public Utilities Bureau.

24 (b) The Division of Integrated Distribution Planning shall
25 be established by July 1, 2022.

1 (220 ILCS 5/16-108.20 new)

2 Sec. 16-108.20. Performance incentive mechanisms.

3 (a) Findings and Purpose. The General Assembly finds:

4 (1) That improving the alignment of utility customer
5 and company interests is critical to ensuring the expected
6 rapid growth of distributed energy resources, electric
7 vehicles, and other new technologies that substantially
8 change the makeup of the grid is done in efficiently and
9 transparently.

10 (2) There is urgency around addressing increasing
11 threats from climate change and assisting communities that
12 have borne disproportionate impacts from climate change,
13 including air pollution, greenhouse gas emissions, and
14 energy burdens. Addressing this problem requires changes
15 to the business model under which utilities in Illinois
16 have traditionally functioned.

17 (3) Providing targeted incentives to support change
18 through a new performance-based structure to enhance
19 ratemaking is intended to enable alignment of utility,
20 customer, community, and environmental goals.

21 (4) Though Illinois has taken some measures to move
22 utilities to performance-based ratemaking through the
23 establishment of performance incentives and a
24 performance-based formula rate under the Energy
25 Infrastructure Modernization Act, these measures have not

1 been transformative in urgently moving electric utilities
2 toward the State's ambitious clean energy policy goals:
3 protecting a healthy environment and climate, improving
4 public health, and creating quality jobs and statewide
5 economic opportunities, including wealth building,
6 especially in economically disadvantaged communities and
7 communities of color.

8 (5) These measures were not developed through a
9 process which sought to understand first what needed to be
10 measured and then worked to ensure that the measures and
11 penalties associated with the measures would help drive
12 the sought-after behavior by the utilities.

13 (6) These measures have resulted in excess utility
14 spending and profits without meaningful improvements in
15 customer experience, rates, or equity.

16 (7) Discussions of performance incentive mechanisms
17 must always take into account the affordability of
18 customer rates and bills.

19 (8) The General Assembly therefore directs the
20 Illinois Commerce Commission to develop performance
21 incentive mechanisms for electric utilities with more than
22 300,000 customers to further specified goals and
23 objectives.

24 (b) Definitions. As used in this Section:

25 "Commission" means the Illinois Commerce Commission.

26 "Demand response" means measures that decrease peak

1 electricity demand or shift demand from peak to off-peak
2 periods.

3 "Distributed energy resources" or "DER" means a wide range
4 of technologies that are located on the customer side of the
5 customer's electric meter and can provide value to the
6 distribution system, including, but not limited to,
7 distributed generation, energy storage, electric vehicles, and
8 demand response technologies.

9 "Economically disadvantaged communities" means areas of
10 one or more census tracts where average household income does
11 not exceed 80% of area median income.

12 "Environmental justice communities" means the definition
13 of that term as used and as may be updated in the Long-Term
14 Renewable Resources Procurement Plan by the Illinois Power
15 Agency and its Program Administrator in the Illinois Solar for
16 All Program.

17 "Performance incentive mechanism" or "PIM" means an
18 instrument by which utility performance is incentivized, which
19 could include a monetary reward or penalty.

20 "Performance Metric" means a manner of measurement for a
21 particular utility activity.

22 (c) Objectives. Performance incentive mechanisms
23 should be designed to accomplish the following objectives:

24 (1) maintain and improve service reliability and
25 safety;

26 (2) enable least cost interconnection to enable

1 decarbonize utility systems at a pace that meets or
2 exceeds the State's climate goals;

3 (3) choose the most cost-effective expenditures for
4 assets or services, whether self-supplied by the utility
5 or through third-party contracting, to deliver
6 high-quality service to customers at least cost and
7 eliminate utility preference for rate base investments
8 that increase profits;

9 (4) maintain the affordability of electric delivery
10 and supply services;

11 (5) achieve high-quality customer service, affordable
12 and a variety of rate options, including demand response,
13 time of use rates for delivery and supply, real-time
14 pricing rates for supply, comprehensive and predictable
15 net metering, utilize the benefits of grid modernization
16 and clean energy for ratepayers;

17 (6) address the particular burdens faced by consumers
18 in environmental justice and economically disadvantaged
19 communities, including shareholder, consumer, and publicly
20 funded bill payment assistance and credit and collection
21 policies; and

22 (7) maintain and grow a diverse workforce, diverse
23 supplier procurement base and, for relevant programs,
24 diverse approved-vendor pools.

25 (d) Performance incentive mechanisms.

26 (1) The Commission may establish performance incentive

1 mechanisms in order to better tie utility revenues to
2 performance and customer benefits, accelerate progress on
3 Illinois energy and other goals, and hold utilities
4 publicly accountable. The Commission shall develop
5 metrics, which are observable and measurable indicators of
6 system or utility performance, in order to create
7 performance incentive mechanisms independent of its rate
8 making function. Specifically, the Commission may
9 establish tracking metrics, to be used for measuring and
10 reporting utility performance.

11 (A) Tracking metrics, if adopted, shall entail a
12 description of the metric, a calculation method, a
13 data collection method, and measure achievement of at
14 least one of the outcomes set forth in paragraph (2) of
15 this subsection.

16 (B) The Commission may adopt tracking metrics that
17 are supported by stakeholder consensus.

18 (C) The Commission shall first identify the
19 tracking metrics that are already in place and then
20 make a determination of their effectiveness with
21 respect to the program goals described in this
22 section.

23 (D) The tracking metric shall include a
24 description of the metric, a calculation method, a
25 data collection method, annual binding performance
26 targets, and may include monetary incentives (rewards

1 or penalties or both, depending on the metric) for
2 utilities' achievement of or failure to achieve their
3 performance targets. For metrics where progressive
4 improvement is desirable, performance targets shall
5 increase annually and shall require utilities to
6 perform beyond business as usual, as determined by
7 baseline tracking data and high-confidence
8 projections. Increases to a target shall be considered
9 in light of other metrics, cost-effectiveness, and
10 other factors the Commission deems appropriate.

11 (E) Metrics shall include one year of tracking
12 data collected in a consistent manner, verifiable by
13 an independent evaluator in order to establish a
14 baseline and measure outcomes and actual results
15 against projections where possible.

16 (2) Outcomes of Metrics. The Commission may approve
17 tracking and performance metrics that encourage
18 cost-effective, equitable utility achievement of the
19 following outcomes:

20 (A) Affordability. Achieve affordable customer
21 energy costs and utility bills, with particular
22 emphasis on keeping lower-income households' bills
23 within a manageable portion of their income.

24 (B) Pollution Reduction. Minimize emissions of
25 greenhouse gases and pollutants that harm human
26 health, particularly in environmental justice and

1 economically disadvantaged communities, through
2 minimizing total emissions, including by accelerating
3 electrification of transportation, buildings and
4 industries where such electrification results in net
5 reductions, across all fuels and over the life of
6 electrification measures, of greenhouse gases and
7 other pollutants, taking into consideration the fuel
8 mix used to produce electricity at the relevant hour
9 and the effect of accelerating electrification on
10 electricity supply prices and peak demand.

11 (C) Flexibility. Enhance the grid's ability to
12 incorporate increased deployment of nondispatchable
13 resources; improve the predictability and
14 cost-effectiveness of interconnection processes;
15 improve load balancing; and offer a variety of rate
16 plans to suit consumer consumption patterns to lower
17 consumer bills for electricity delivery and supply.

18 (D) Reliability. Meet high standards of overall
19 and locational reliability, including the standards
20 and processes described in Section 16-125 of this Act.

21 (E) Customer Experience. Cost-effectively deliver
22 customer service quality, customer engagement, and
23 customer access to utility system information
24 according to consumer demand and interest.

25 (F) Equity. Maximize and prioritize the low-income
26 assistance and allocation of grid planning benefits to

1 environmental justice and economically disadvantaged
2 customers and communities. Sustain a diverse
3 workforce, supplier procurement base and, for relevant
4 programs, approved vendor pools.

5 (G) Cost-effectiveness. Ensure rates reflect cost
6 savings attributable to grid modernization and
7 integration of distributed energy resources and
8 identify circumstances that allow the utility to
9 reduce expenditures by deferring or forgoing
10 traditional grid investments that would otherwise be
11 required and increase customer charges.

12 It is the intent of the General Assembly that these
13 outcomes shall guide the development of metrics even as
14 the grid, along with its associated technologies and
15 policies, evolves. It is also the intent of the General
16 Assembly that the limitation of total costs to customers
17 and the promotion of ethical and transparent practices by
18 utilities, as well as the role that flexible load and
19 distributed energy resources can play in advancing the
20 outcomes, are objectives in the establishment of metrics.

21 (3) Performance incentives. The Commission shall
22 determine whether and to what extent each performance
23 metric shall offer a reward, penalty, or both to a
24 utility. For metrics where a reward is offered, and that
25 reward is a cash payment, the reward shall be calculated
26 as a percentage of net benefits from the outcome, net of

1 costs to customers.

2 (A) The Commission shall develop a methodology to
3 calculate net benefits that includes the cost to
4 consumers, societal costs, and benefits. In
5 determining the appropriate level of a reward or
6 penalty, the Commission shall consider: the extent to
7 which the result is included in the utility's
8 obligation to serve, whether the amount is likely to
9 encourage the utility to achieve the performance
10 target in the least cost manner; the value of benefits
11 to customers, the grid, and the environment from
12 achievement of the performance target, including in
13 particular benefits to environmental justice and
14 economically disadvantaged communities; the effect on
15 customer bill affordability; the effect on the
16 utility's revenue requirement; the effect on whether
17 the utility's earnings remain just and reasonable and
18 not in excess of a reasonable return on equity; and
19 other such factors that the Commission deems
20 appropriate.

21 (B) The consideration of these factors shall
22 result in an incentive level that ensures benefits
23 exceed costs for customers. In determining the
24 specific rewards or penalties, the Commission shall
25 give weight to the following goals: (i) affordability,
26 (ii) cost-effectiveness, (iii) pollution reduction,

1 (iv) rate flexibility, (v) customer experience, (vi)
2 reliability, and (vii) equity.

3 (C) It is the intent of the General Assembly that
4 over time the utility's return on equity remains just
5 and reasonable and that the return on equity embedded
6 in base rates and surcharges shall be progressively
7 reduced while the opportunity to grow earnings as a
8 result of achieving performance targets shall be
9 progressively increased as the Commission establishes
10 new performance metrics.

11 (e) Initial Metrics.

12 (1) The Commission shall initiate a 6-month workshop
13 process no later than March 1, 2022 for the purpose of
14 informing the enactment of metrics. The workshop shall be
15 facilitated by Staff of the Illinois Commerce Commission
16 and shall be organized and facilitated in a manner that
17 encourages representation from diverse stakeholders,
18 ensuring equitable opportunities for participation,
19 without requiring formal intervention or representation by
20 an attorney. Following the workshop, the Commission shall
21 establish initial tracking and performance metrics in a
22 docketed proceeding that shall be filed by the electric
23 utility by September 2, 2022. The proceeding shall
24 conclude, and the Commission shall issue an order in the
25 matter, no later than December 1, 2023.

26 (2) The Commission shall approve metrics consistent

1 with this Section, and it shall establish calculations and
2 goals for the tracking metrics and calculations, targets,
3 and incentives for the tracking metrics set forth in this
4 Section. Initial Performance Metrics shall include at a
5 minimum, but not limited to, the following: (A) system
6 Average Interruption Frequency Index; (B) customer Average
7 Interruption Duration Index; and (C) peak load reductions
8 enabled by demand response programs.

9 (f) Future Metrics. The Commission shall establish new
10 tracking and performance metrics in future Annual Performance
11 Evaluation proceedings to further measure achievement of the
12 outcomes, goals, and requirements of this Section. The
13 Commission shall also evaluate metrics that were established
14 in prior Annual Performance Evaluation proceedings under the
15 procedures set forth in subsection (g) to determine if
16 adjustments are required to improve the likelihood of the
17 outcomes described in paragraph (2) of subsection (d). For
18 metrics that were established in prior Annual Performance
19 Evaluation proceedings and that the Commission elects to
20 continue, the design of these metrics, including the goals of
21 tracking metrics and the targets and incentive levels and
22 structures of performance metrics, may be adjusted pursuant to
23 the requirements in this Section. The Commission may also
24 phase out tracking and performance metrics that were
25 established in prior Annual Performance Evaluation proceedings
26 if these metrics no longer meet the requirements of this

1 Section or if they are rendered obsolete by the changing needs
2 and technology of an evolving grid. Additionally, performance
3 metrics that no longer require an incentive to create improved
4 utility performance may become tracking metrics. In service of
5 the outcomes set forth in paragraph (2) of subsection (d), it
6 is the intent of the General Assembly that the Commission in
7 future Annual Performance Evaluation proceedings establish the
8 tracking metrics and performance metrics set forth in
9 subparagraph (A) and subparagraph (B) of paragraph (3) of
10 subsection (d) of this Section when these metrics would be
11 compliant with the requirements set forth in this Section.

12 (g) Annual Performance Evaluation. On June 1 of each year
13 following the order establishing the performance metrics, the
14 Commission shall open an Annual Performance Evaluation
15 proceeding to evaluate the utilities' performance on their
16 metric targets during the delivery year just completed and
17 accordingly determine rewards or penalties or both to be
18 reflected in rates in the following calendar year.

19 (1) Utility Reporting. On April 1 of each year, prior
20 to the Annual Performance Evaluation proceeding, each
21 participating utility shall file a Performance Evaluation
22 Report with the Commission that includes a description of
23 and all data supporting how the participating utility
24 performed under each tracking and performance metric and
25 an identification of any extraordinary events that
26 adversely impacted the utility's performance. The

1 Performance Evaluation Report shall be verified by an
2 independent evaluator as set out in paragraph (3) of this
3 subsection (g) and shall include both a report made to the
4 Commission and a short, public-facing scorecard that makes
5 this information publicly accessible and easily
6 understandable. The Commission shall post each scorecard
7 upon receipt on the Commission's web page in an easily
8 accessible location. The format of the report and the
9 scorecard shall be developed by the Commission, be
10 consistent across utilities, and shall include, but not be
11 limited to:

12 (A) a list of metrics to which the utility is
13 subject;

14 (B) the previous delivery year's calculation
15 methods and performance on metrics if applicable;

16 (C) the current delivery year's calculation
17 methods and a detailed description of the effect of
18 any differences;

19 (D) the current-year goals for tracking metrics
20 and current-year targets for performance metrics;

21 (E) the current year's performance on metrics
22 targets; and

23 (F) a summary of the investments and programs
24 undertaken in order to achieve those metrics targets;
25 and within 30 days after the Commission's Order in the
26 utility's Annual Performance Evaluation and Adjustment

1 filing, the utility shall update the public scorecard
2 with any changes required by the Commission and the
3 revised scorecard shall be posted on the Commission's
4 website.

5 (2) Public Workshops. Upon the filing of each
6 Performance Evaluation Report, but no later than May 7
7 each year, the Commission shall initiate a four-month
8 workshop process. The workshops shall be facilitated by
9 Staff of the Illinois Commerce Commission and shall be
10 organized and facilitated in a manner that encourages
11 representation from diverse stakeholders, ensuring
12 equitable opportunities for participation, without
13 requiring formal intervention or representation by an
14 attorney. During these workshops, each electric utility
15 shall publicly present its performance on tracking and
16 performance metrics following the requirements set forth
17 in paragraph (1) of this subsection (g). The electric
18 utility shall also explain how it has holistically
19 considered the plans, programs, tariffs and policies in
20 order to achieve its metric targets. Members of the public
21 shall have the opportunity to request additional relevant
22 information and submit comment and feedback to the
23 Commission. A summary of that feedback shall be provided
24 in an exhibit submitted by Staff of the Illinois Commerce
25 Commission in the Annual Performance Evaluation.

26 (3) Independent Evaluation. The Commission shall

1 provide for an annual independent evaluation of the
2 electric utility's performance on metrics, and the cost of
3 the independent evaluation shall be treated as a cost of
4 service. The independent evaluator shall review the
5 utility's assumptions, baselines, targets, calculation
6 methodologies, and other relevant information, especially
7 ensuring that the utility's data for establishing
8 baselines matches actual performance, and shall provide a
9 Report to the Commission no later than May 1 describing
10 the results. The independent evaluator shall present this
11 Report as evidence as a nonparty participant in each
12 Annual Performance Evaluation. The independent evaluator
13 shall be hired by the Commission through a competitive
14 bidding process. The Commission shall post the Report on
15 its website no fewer than 5 business days before the first
16 Public Workshop described in subsection (2) of this
17 subsection (g), and shall consider the Report of the
18 independent evaluator in determining the utility's
19 achievement of performance targets. Discrepancies between
20 the utility's assumptions, baselines, targets, or
21 calculations and those of the independent evaluator shall
22 be closely scrutinized by the Commission and may be the
23 bases for rejecting the utility's conclusion about its
24 performance. If the Commission finds that the utility's
25 reported data for any metric or metrics significantly
26 deviates from the data reported by the independent

1 evaluator, then the Commission shall order the utility to
2 revise its data collection and calculation process within
3 60 days, with specifications where appropriate, and no
4 performance incentive shall be allowed.

5 (4) Performance Adjustment. The Commission shall,
6 after notice and hearing in the Annual Performance
7 Evaluation proceeding, enter an order approving the
8 utility's performance adjustment based on its achievement
9 of or failure to achieve its performance targets no later
10 than December 31 each year. The Commission-approved
11 penalties or rewards shall be itemized and the annual cost
12 to consumers or to the utility shall be reported. The
13 penalties or rewards shall be collected or credited
14 beginning with the next calendar year.

15 (5) Revisions to Metrics. Tracking and performance
16 metrics, along with their associated goals, targets, and
17 incentives, may be changed as part of the Annual
18 Performance Evaluation. In addition, the Commission may
19 open a separate investigation into whether the metric
20 should be continued, modified, or discontinued, and
21 whether the methodology, including assumptions and
22 calculations used to measure or quantify progress toward
23 goals and targets in the Annual Performance Evaluation
24 should be continued, modified, or discontinued, at the
25 request of an intervening party.

1 (220 ILCS 5/16-108.21 new)

2 Sec. 16-108.21. Energy storage program.

3 (a) Findings. The Illinois General Assembly hereby finds
4 and declares that:

5 (1) Energy storage systems provide opportunities to:

6 (A) reduce costs to ratepayers directly or
7 indirectly by avoiding or deferring the need for
8 investment in new generation and for upgrades to
9 systems for the transmission and distribution of
10 electricity;

11 (B) reduce the use of fossil fuels for meeting
12 demand during peak load periods;

13 (C) provide ancillary services such as frequency
14 response, load following, and voltage support;

15 (D) assist electric utilities with integrating
16 sources of renewable energy into the grid for the
17 transmission and distribution of electricity, and with
18 maintaining grid stability;

19 (E) support diversification of energy resources;

20 (F) enhance the resilience and reliability of the
21 electric grid; and

22 (G) reduce greenhouse gas emissions and other air
23 pollutants resulting from power generation, thereby
24 minimizing public health impacts that result from
25 power generation.

26 (2) There are significant barriers to obtaining the

1 benefits of energy storage systems, including inadequate
2 valuation of the services that energy storage can provide
3 to the grid and the public.

4 (3) It is in the public interest to:

5 (A) develop a robust competitive market for
6 existing and new providers of energy storage systems
7 in order to leverage Illinois' position as a leader in
8 advanced energy and to capture the potential for
9 economic development;

10 (B) implement targets and programs to achieve
11 deployment of energy storage systems; and

12 (C) modernize distributed energy resource programs
13 and interconnection standards to lower costs and
14 efficiently deploy energy storage systems in order to
15 increase economic development and job creation within
16 the State's clean energy economy.

17 (b) Definitions. As used in this Section:

18 "Deployment" means the installation of energy storage
19 systems through a variety of mechanisms, including utility
20 procurement, customer installation, or other processes.

21 "Electric utility" has the meaning as provided in Section
22 16-102.

23 "Energy storage peak standard" means a percentage of
24 annual retail electricity sales during peak hours that an
25 electric utility must derive from electricity discharged from
26 eligible energy storage systems.

1 "Energy storage system" means a technology that is capable
2 of absorbing zero-carbon energy, storing it for a period of
3 time, and redelivering that energy after it has been stored in
4 order to provide direct or indirect benefits to the broader
5 electricity system. "Energy storage system" includes, but is
6 not limited to, electrochemical, thermal, and
7 electromechanical technologies.

8 "Non-wires alternatives solicitation" means a utility
9 solicitation for third-party-owned or utility-owned
10 distributed energy resources that uses non-traditional
11 solutions to defer or replace planned investment on the
12 distribution or transmission system.

13 "Total peak demand" means the highest hourly electricity
14 demand for an electric utility in a given year, measured in
15 megawatts, from all of the electric utility's customers of
16 distribution service.

17 (c) Energy storage proceeding.

18 (1) The Commission, in consultation with the Illinois
19 Power Agency, shall initiate a proceeding to examine
20 specific programs, mechanisms, and policies that could
21 support the deployment of energy storage systems. The
22 Illinois Commerce Commission shall engage a broad group of
23 Illinois stakeholders, including electric utilities, the
24 energy storage industry, the renewable energy industry,
25 and others to inform the proceeding.

26 (2) The proceeding must, at minimum:

1 (A) Develop a framework to identify and measure
2 the potential costs, benefits, that deployment of
3 energy storage could produce, as well as barriers to
4 realizing such benefits, including, but not limited
5 to:

6 (i) avoided cost and deferred investments in
7 generation, transmission, and distribution
8 facilities;

9 (ii) reduced ancillary services costs;

10 (iii) reduced transmission and distribution
11 congestion;

12 (iv) lower peak power costs and reduced
13 capacity costs;

14 (v) reduced costs for emergency power supplies
15 during outages;

16 (vi) reduced curtailment of renewable energy
17 generators;

18 (vii) reduced greenhouse gas emissions and
19 other criteria air pollutants;

20 (viii) increased grid hosting capacity of
21 renewable energy generators that produce energy on
22 an intermittent basis;

23 (ix) increased reliability and resilience of
24 the electric grid;

25 (x) increased resource diversification; and

26 (xi) increased economic development.

1 (B) Analyze and estimate:

2 (i) the impact on the system's ability to
3 integrate renewable resources;

4 (ii) the benefits of addition of storage at
5 specific locations, such as at existing peaking
6 units or locations on the grid close to large load
7 centers;

8 (iii) the impact on grid reliability and power
9 quality; and

10 (iv) the effect on retail electric rates and
11 supply rates over the useful life of a given
12 energy storage system.

13 (C) Evaluate and identify cost-effective policies
14 and programs to support the deployment of energy
15 storage systems, including, but not limited to:

16 (i) incentive programs;

17 (ii) energy storage peak standards;

18 (iii) non-wires alternative solicitation;

19 (iv) peak demand reduction programs for
20 behind-the-meter storage for all customer classes;

21 (v) value of distributed energy resources
22 programs;

23 (vi) tax incentives;

24 (vii) time-varying rates;

25 (viii) updating of interconnection processes
26 and metering standards;and

1 (ix) procurement by the Illinois Power Agency
2 of energy storage resources.

3 (3) The Commission shall, no later than May 31, 2022,
4 submit to the General Assembly and the Governor any
5 recommendations for additional legislative, regulatory or
6 executive actions based on the findings of the proceeding.

7 (4) At the conclusion of the proceeding required under
8 subsection (c), the Commission shall consider and
9 recommend to the Governor and General Assembly energy
10 storage deployment targets, if any, for each electric
11 utility that serves more than 200,000 customers to be
12 achieved by December 31, 2032, including recommended
13 interim targets.

14 (5) In setting recommendations for energy storage
15 deployment targets, the Commission shall:

16 (A) take into account the costs and benefits of
17 procuring energy storage according to the framework
18 developed in the proceeding under subsection (c); and

19 (B) consider establishing specific sub-categories
20 of deployment of systems by point of interconnection
21 or application in addition to any requirement for
22 behind the meter storage.

23 (220 ILCS 5/16-108.22 new)

24 Sec. 16-108.22. Nuclear plant assistance.

25 (a) The General Assembly finds:

1 (1) It is in the interest of the State to support large
2 employers who bring needed jobs, tax base and ancillary
3 benefits to our State.

4 (2) The nuclear power generation facilities located in
5 Illinois provide the benefits listed in subsection (a) of
6 Section 8-201.12, as well as provide energy with zero
7 carbon emissions.

8 (3) The clean energy attributes of the nuclear
9 generation facilities support the State in its efforts to
10 achieve 100% clean energy.

11 (4) The State currently invests in various forms of
12 clean energy including, but not limited to, renewable
13 energy, energy efficiency, low-emission vehicles, among
14 others.

15 In addition to the economic benefits described in
16 subsection (a) of Section 8-201.12, nuclear plants provide
17 clean energy, which helps to avoid many health related
18 negative impacts.

19 (b) Beginning with calendar year 2021, and concluding with
20 calendar year 2025, the State shall incentivize the retention
21 of workers at the Byron and Dresden nuclear generation
22 facilities by compensating their parent corporation as
23 follows:

24 (1) For Byron, an amount equal to the sum of \$1 per
25 megawatt hour of nameplate capacity for each of the 5
26 years as set forth in this subsection (b).

1 (2) For Dresden, an amount equal to the sum of \$3.50
2 per megawatt hour of nameplate capacity for each of the 5
3 years as set forth in this subsection (b).

4 (3) Initial payments shall occur on or before
5 September 1, 2021, and in each subsequent year, on or
6 before July 1.

7 (4) Payment in any given calendar year is conditioned
8 upon a determination of need from an independent audit of
9 the parent corporation, as set forth in Section 16-108.18.

10 (c) If the result of the independent audit shows that the
11 operation of the nuclear facility in question is not in need of
12 the level of assistance set forth in paragraphs (1) and (2) of
13 subsection (b) to have a positive net present value, then the
14 amount of assistance shall be reduced to the level of
15 assistance necessary.

16 (d) In the event of reduction in assistance in any given
17 year, the difference in the actual amount of funds provided
18 and the funds contemplated in paragraphs (1) and (2) of
19 subsection (b) shall be deposited in the Greenhouse Gas
20 Emissions Reinvestment Fund, as described in paragraph (4) of
21 subsection (c) of Section 9.18 of the Illinois Environmental
22 Protection Act.

23 (e) In exchange for acceptance of the assistance described
24 in this Section, the owner of the nuclear generation
25 facilities shall agree to keep the plants in operation through
26 the period ending December 31, 2025.

1 (f) If the owner of a nuclear generation facility that has
2 received assistance under this chapter retires the plant in
3 violation of subsection (e), the owner shall reimburse the
4 State for any funds received up to the date of retirement,
5 unless the Commission has determined that the owner of the
6 nuclear generation facility made a good faith effort to sell
7 the facility to another entity prior to its retirement and
8 that the owner did not refuse a reasonable offer to purchase
9 the facility or the commission determines that, if a
10 reasonable offer was received, the sale was not completed for
11 a reason beyond the reasonable control of the public utility.

12 (g) In determining whether the nuclear generation facility
13 owner made a good faith effort to sell the facility under this
14 Section the Commission shall consider:

15 (1) whether the owner provided sufficient time prior
16 to the facility's retirement for potential purchasers to
17 evaluate purchasing the facility;

18 (2) whether the owner used reasonable efforts to make
19 potential purchasers aware of the opportunity to purchase
20 the facility;

21 (3) whether the owner reasonably evaluated any offers
22 received for the purchase of the facility; and

23 (4) any other factor deemed appropriate by the
24 Commission.

25 (h) In determining whether an offer to purchase a nuclear
26 generation facility under this Section was reasonable the

1 Commission shall consider whether accepting the offer to
2 purchase the facility would have been in the public interest.

3 (i) The assistance described in this Section shall be
4 provided to subsequent owners of the facilities, subject to
5 the same audit requirements as described in paragraph (4) of
6 subsection (g).

7 (220 ILCS 5/16-111.5)

8 Sec. 16-111.5. Provisions relating to procurement.

9 (a) An electric utility that on December 31, 2005 served
10 at least 100,000 customers in Illinois shall procure power and
11 energy for its eligible retail customers in accordance with
12 the applicable provisions set forth in Section 1-75 of the
13 Illinois Power Agency Act and this Section. Beginning with the
14 delivery year commencing on June 1, 2017, such electric
15 utility shall also procure zero emission credits from zero
16 emission facilities in accordance with the applicable
17 provisions set forth in Section 1-75 of the Illinois Power
18 Agency Act, and, for years beginning on or after June 1, 2017,
19 the utility shall procure renewable energy resources in
20 accordance with the applicable provisions set forth in Section
21 1-75 of the Illinois Power Agency Act and this Section. A small
22 multi-jurisdictional electric utility that on December 31,
23 2005 served less than 100,000 customers in Illinois may elect
24 to procure power and energy for all or a portion of its
25 eligible Illinois retail customers in accordance with the

1 applicable provisions set forth in this Section and Section
2 1-75 of the Illinois Power Agency Act. This Section shall not
3 apply to a small multi-jurisdictional utility until such time
4 as a small multi-jurisdictional utility requests the Illinois
5 Power Agency to prepare a procurement plan for its eligible
6 retail customers. "Eligible retail customers" for the purposes
7 of this Section means those retail customers that purchase
8 power and energy from the electric utility under fixed-price
9 bundled service tariffs, other than those retail customers
10 whose service is declared or deemed competitive under Section
11 16-113 and those other customer groups specified in this
12 Section, including self-generating customers, customers
13 electing hourly pricing, or those customers who are otherwise
14 ineligible for fixed-price bundled tariff service. For those
15 customers that are excluded from the procurement plan's
16 electric supply service requirements, and the utility shall
17 procure any supply requirements, including capacity, ancillary
18 services, and hourly priced energy, in the applicable markets
19 as needed to serve those customers, provided that the utility
20 may include in its procurement plan load requirements for the
21 load that is associated with those retail customers whose
22 service has been declared or deemed competitive pursuant to
23 Section 16-113 of this Act to the extent that those customers
24 are purchasing power and energy during one of the transition
25 periods identified in subsection (b) of Section 16-113 of this
26 Act.

1 (b) A procurement plan shall be prepared for each electric
2 utility consistent with the applicable requirements of the
3 Illinois Power Agency Act and this Section. For purposes of
4 this Section, Illinois electric utilities that are affiliated
5 by virtue of a common parent company are considered to be a
6 single electric utility. Small multi-jurisdictional utilities
7 may request a procurement plan for a portion of or all of its
8 Illinois load. Each procurement plan shall analyze the
9 projected balance of supply and demand for those retail
10 customers to be included in the plan's electric supply service
11 requirements over a 5-year period, with the first planning
12 year beginning on June 1 of the year following the year in
13 which the plan is filed. The plan shall specifically identify
14 the wholesale products to be procured following plan approval,
15 and shall follow all the requirements set forth in the Public
16 Utilities Act and all applicable State and federal laws,
17 statutes, rules, or regulations, as well as Commission orders.
18 Nothing in this Section precludes consideration of contracts
19 longer than 5 years and related forecast data. Unless
20 specified otherwise in this Section, in the procurement plan
21 or in the implementing tariff, any procurement occurring in
22 accordance with this plan shall be competitively bid through a
23 request for proposals process. Approval and implementation of
24 the procurement plan shall be subject to review and approval
25 by the Commission according to the provisions set forth in
26 this Section. A procurement plan shall include each of the

1 following components:

2 (1) Hourly load analysis. This analysis shall include:

3 (i) multi-year historical analysis of hourly
4 loads;

5 (ii) switching trends and competitive retail
6 market analysis;

7 (iii) known or projected changes to future loads;

8 and

9 (iv) growth forecasts by customer class.

10 (2) Analysis of the impact of any demand side and
11 renewable energy initiatives. This analysis shall include:

12 (i) the impact of demand response programs and
13 energy efficiency programs, both current and
14 projected; for small multi-jurisdictional utilities,
15 the impact of demand response and energy efficiency
16 programs approved pursuant to Section 8-408 of this
17 Act, both current and projected; and

18 (ii) supply side needs that are projected to be
19 offset by purchases of renewable energy resources, if
20 any.

21 (3) A plan for meeting the expected load requirements
22 that will not be met through preexisting contracts. This
23 plan shall include:

24 (i) definitions of the different Illinois retail
25 customer classes for which supply is being purchased;

26 (ii) the proposed mix of demand-response products

1 for which contracts will be executed during the next
2 year. For small multi-jurisdictional electric
3 utilities that on December 31, 2005 served fewer than
4 100,000 customers in Illinois, these shall be defined
5 as demand-response products offered in an energy
6 efficiency plan approved pursuant to Section 8-408 of
7 this Act. The cost-effective demand-response measures
8 shall be procured whenever the cost is lower than
9 procuring comparable capacity products, provided that
10 such products shall:

11 (A) be procured by a demand-response provider
12 from those retail customers included in the plan's
13 electric supply service requirements;

14 (B) at least satisfy the demand-response
15 requirements of the regional transmission
16 organization market in which the utility's service
17 territory is located, including, but not limited
18 to, any applicable capacity or dispatch
19 requirements;

20 (C) provide for customers' participation in
21 the stream of benefits produced by the
22 demand-response products;

23 (D) provide for reimbursement by the
24 demand-response provider of the utility for any
25 costs incurred as a result of the failure of the
26 supplier of such products to perform its

1 obligations thereunder; and

2 (E) meet the same credit requirements as apply
3 to suppliers of capacity, in the applicable
4 regional transmission organization market;

5 (iii) monthly forecasted system supply
6 requirements, including expected minimum, maximum, and
7 average values for the planning period;

8 (iv) the proposed mix and selection of standard
9 wholesale products for which contracts will be
10 executed during the next year, separately or in
11 combination, to meet that portion of its load
12 requirements not met through pre-existing contracts,
13 including but not limited to monthly 5 x 16 peak period
14 block energy, monthly off-peak wrap energy, monthly 7
15 x 24 energy, annual 5 x 16 energy, annual off-peak wrap
16 energy, annual 7 x 24 energy, monthly capacity, annual
17 capacity, peak load capacity obligations, capacity
18 purchase plan, and ancillary services;

19 (v) proposed term structures for each wholesale
20 product type included in the proposed procurement plan
21 portfolio of products; and

22 (vi) an assessment of the price risk, load
23 uncertainty, and other factors that are associated
24 with the proposed procurement plan; this assessment,
25 to the extent possible, shall include an analysis of
26 the following factors: contract terms, time frames for

1 securing products or services, fuel costs, weather
2 patterns, transmission costs, market conditions, and
3 the governmental regulatory environment; the proposed
4 procurement plan shall also identify alternatives for
5 those portfolio measures that are identified as having
6 significant price risk.

7 (4) Proposed procedures for balancing loads. The
8 procurement plan shall include, for load requirements
9 included in the procurement plan, the process for (i)
10 hourly balancing of supply and demand and (ii) the
11 criteria for portfolio re-balancing in the event of
12 significant shifts in load.

13 (5) Long-Term Renewable Resources Procurement Plan.
14 The Agency shall prepare a long-term renewable resources
15 procurement plan for the procurement of renewable energy
16 credits under Sections 1-56 and 1-75 of the Illinois Power
17 Agency Act for delivery beginning in the 2017 delivery
18 year.

19 (i) The initial long-term renewable resources
20 procurement plan and all subsequent revisions shall be
21 subject to review and approval by the Commission. For
22 the purposes of this Section, "delivery year" has the
23 same meaning as in Section 1-10 of the Illinois Power
24 Agency Act. For purposes of this Section, "Agency"
25 shall mean the Illinois Power Agency.

26 (ii) The long-term renewable resources planning

1 process shall be conducted as follows:

2 (A) Electric utilities shall provide a range
3 of load forecasts to the Illinois Power Agency
4 within 45 days of the Agency's request for
5 forecasts, which request shall specify the length
6 and conditions for the forecasts including, but
7 not limited to, the quantity of distributed
8 generation expected to be interconnected for each
9 year.

10 (B) The Agency shall publish for comment the
11 initial long-term renewable resources procurement
12 plan no later than 120 days after the effective
13 date of this amendatory Act of the 99th General
14 Assembly and shall review, and may revise, the
15 plan at least every 2 years thereafter. To the
16 extent practicable, the Agency shall review and
17 propose any revisions to the long-term renewable
18 energy resources procurement plan in conjunction
19 with the Agency's other planning and approval
20 processes conducted under this Section. The
21 initial long-term renewable resources procurement
22 plan shall:

23 (aa) Identify the procurement programs and
24 competitive procurement events consistent with
25 the applicable requirements of the Illinois
26 Power Agency Act and shall be designed to

1 achieve the goals set forth in subsection (c)
2 of Section 1-75 of that Act.

3 (bb) Include a schedule for procurements
4 for renewable energy credits from
5 utility-scale wind projects, utility-scale
6 solar projects, and brownfield site
7 photovoltaic projects consistent with
8 subparagraph (G) of paragraph (1) of
9 subsection (c) of Section 1-75 of the Illinois
10 Power Agency Act.

11 (cc) Identify the process whereby the
12 Agency will submit to the Commission for
13 review and approval the proposed contracts to
14 implement the programs required by such plan.

15 Copies of the initial long-term renewable
16 resources procurement plan and all subsequent
17 revisions shall be posted and made publicly
18 available on the Agency's and Commission's
19 websites, and copies shall also be provided to
20 each affected electric utility. An affected
21 utility and other interested parties shall have 45
22 days following the date of posting to provide
23 comment to the Agency on the initial long-term
24 renewable resources procurement plan and all
25 subsequent revisions. All comments submitted to
26 the Agency shall be specific, supported by data or

1 other detailed analyses, and, if objecting to all
2 or a portion of the procurement plan, accompanied
3 by specific alternative wording or proposals. All
4 comments shall be posted on the Agency's and
5 Commission's websites. During this 45-day comment
6 period, the Agency shall hold at least one public
7 hearing within each utility's service area that is
8 subject to the requirements of this paragraph (5)
9 for the purpose of receiving public comment.
10 Within 21 days following the end of the 45-day
11 review period, the Agency may revise the long-term
12 renewable resources procurement plan based on the
13 comments received and shall file the plan with the
14 Commission for review and approval.

15 (C) Within 14 days after the filing of the
16 initial long-term renewable resources procurement
17 plan or any subsequent revisions, any person
18 objecting to the plan may file an objection with
19 the Commission. Within 21 days after the filing of
20 the plan, the Commission shall determine whether a
21 hearing is necessary. The Commission shall enter
22 its order confirming or modifying the initial
23 long-term renewable resources procurement plan or
24 any subsequent revisions within 120 days after the
25 filing of the plan by the Illinois Power Agency.

26 (D) The Commission shall approve the initial

1 long-term renewable resources procurement plan and
2 any subsequent revisions, including expressly the
3 forecast used in the plan and taking into account
4 that funding will be limited to the amount of
5 revenues actually collected by the utilities, if
6 the Commission determines that the plan will
7 reasonably and prudently accomplish the
8 requirements of Section 1-56 and subsection (c) of
9 Section 1-75 of the Illinois Power Agency Act. The
10 Commission shall also approve the process for the
11 submission, review, and approval of the proposed
12 contracts to procure renewable energy credits or
13 implement the programs authorized by the
14 Commission pursuant to a long-term renewable
15 resources procurement plan approved under this
16 Section.

17 (iii) The Agency or third parties contracted by
18 the Agency shall implement all programs authorized by
19 the Commission in an approved long-term renewable
20 resources procurement plan without further review and
21 approval by the Commission. Any disputes regarding
22 implementation of the programs authorized in the Plan
23 shall be resolved in an expedited manner by the
24 Commission. Third parties shall not begin implementing
25 any programs or receive any payment under this Section
26 until the Commission has approved the contract or

1 contracts under the process authorized by the
2 Commission in item (D) of subparagraph (ii) of
3 paragraph (5) of this subsection (b) and the third
4 party and the Agency or utility, as applicable, have
5 executed the contract. For those renewable energy
6 credits subject to procurement through a competitive
7 bid process under the plan or under the initial
8 forward procurements for wind and solar resources
9 described in subparagraph (G) of paragraph (1) of
10 subsection (c) of Section 1-75 of the Illinois Power
11 Agency Act, the Agency shall follow the procurement
12 process specified in the provisions relating to
13 electricity procurement in subsections (e) through (i)
14 of this Section.

15 (iv) An electric utility shall recover its costs
16 associated with the procurement of renewable energy
17 credits under this Section through an automatic
18 adjustment clause tariff under subsection (k) of
19 Section 16-108 of this Act. A utility shall not be
20 required to advance any payment or pay any amounts
21 under this Section that exceed the actual amount of
22 revenues collected by the utility under paragraph (6)
23 of subsection (c) of Section 1-75 of the Illinois
24 Power Agency Act and subsection (k) of Section 16-108
25 of this Act, and contracts executed under this Section
26 shall expressly incorporate this limitation.

1 (v) For the public interest, safety, and welfare,
2 the Agency and the Commission may adopt rules to carry
3 out the provisions of this Section on an emergency
4 basis immediately following the effective date of this
5 amendatory Act of the 99th General Assembly.

6 (vi) On or before July 1 of each year, the
7 Commission shall hold an informal hearing for the
8 purpose of receiving comments on the prior year's
9 procurement process and any recommendations for
10 change.

11 (c) The procurement process set forth in Section 1-75 of
12 the Illinois Power Agency Act and subsection (e) of this
13 Section shall be administered by a procurement administrator
14 and monitored by a procurement monitor.

15 (1) The procurement administrator shall:

16 (i) design the final procurement process in
17 accordance with Section 1-75 of the Illinois Power
18 Agency Act and subsection (e) of this Section
19 following Commission approval of the procurement plan;

20 (ii) develop benchmarks in accordance with
21 subsection (e)(3) to be used to evaluate bids; these
22 benchmarks shall be submitted to the Commission for
23 review and approval on a confidential basis prior to
24 the procurement event;

25 (iii) serve as the interface between the electric
26 utility and suppliers;

1 (iv) manage the bidder pre-qualification and
2 registration process;

3 (v) obtain the electric utilities' agreement to
4 the final form of all supply contracts and credit
5 collateral agreements;

6 (vi) administer the request for proposals process;

7 (vii) have the discretion to negotiate to
8 determine whether bidders are willing to lower the
9 price of bids that meet the benchmarks approved by the
10 Commission; any post-bid negotiations with bidders
11 shall be limited to price only and shall be completed
12 within 24 hours after opening the sealed bids and
13 shall be conducted in a fair and unbiased manner; in
14 conducting the negotiations, there shall be no
15 disclosure of any information derived from proposals
16 submitted by competing bidders; if information is
17 disclosed to any bidder, it shall be provided to all
18 competing bidders;

19 (viii) maintain confidentiality of supplier and
20 bidding information in a manner consistent with all
21 applicable laws, rules, regulations, and tariffs;

22 (ix) submit a confidential report to the
23 Commission recommending acceptance or rejection of
24 bids;

25 (x) notify the utility of contract counterparties
26 and contract specifics; and

1 (xi) administer related contingency procurement
2 events.

3 (2) The procurement monitor, who shall be retained by
4 the Commission, shall:

5 (i) monitor interactions among the procurement
6 administrator, suppliers, and utility;

7 (ii) monitor and report to the Commission on the
8 progress of the procurement process;

9 (iii) provide an independent confidential report
10 to the Commission regarding the results of the
11 procurement event;

12 (iv) assess compliance with the procurement plans
13 approved by the Commission for each utility that on
14 December 31, 2005 provided electric service to at
15 least 100,000 customers in Illinois and for each small
16 multi-jurisdictional utility that on December 31, 2005
17 served less than 100,000 customers in Illinois;

18 (v) preserve the confidentiality of supplier and
19 bidding information in a manner consistent with all
20 applicable laws, rules, regulations, and tariffs;

21 (vi) provide expert advice to the Commission and
22 consult with the procurement administrator regarding
23 issues related to procurement process design, rules,
24 protocols, and policy-related matters; and

25 (vii) consult with the procurement administrator
26 regarding the development and use of benchmark

1 criteria, standard form contracts, credit policies,
2 and bid documents.

3 (d) Except as provided in subsection (j), the planning
4 process shall be conducted as follows:

5 (1) Beginning in 2008, each Illinois utility procuring
6 power pursuant to this Section shall annually provide a
7 range of load forecasts to the Illinois Power Agency by
8 July 15 of each year, or such other date as may be required
9 by the Commission or Agency. The load forecasts shall
10 cover the 5-year procurement planning period for the next
11 procurement plan and shall include hourly data
12 representing a high-load, low-load, and expected-load
13 scenario for the load of those retail customers included
14 in the plan's electric supply service requirements. The
15 utility shall provide supporting data and assumptions for
16 each of the scenarios.

17 (2) Beginning in 2008, the Illinois Power Agency shall
18 prepare a procurement plan by August 15th of each year, or
19 such other date as may be required by the Commission. The
20 procurement plan shall identify the portfolio of
21 demand-response and power and energy products to be
22 procured. Cost-effective demand-response measures shall be
23 procured as set forth in item (iii) of subsection (b) of
24 this Section. Copies of the procurement plan shall be
25 posted and made publicly available on the Agency's and
26 Commission's websites, and copies shall also be provided

1 to each affected electric utility. An affected utility
2 shall have 30 days following the date of posting to
3 provide comment to the Agency on the procurement plan.
4 Other interested entities also may comment on the
5 procurement plan. All comments submitted to the Agency
6 shall be specific, supported by data or other detailed
7 analyses, and, if objecting to all or a portion of the
8 procurement plan, accompanied by specific alternative
9 wording or proposals. All comments shall be posted on the
10 Agency's and Commission's websites. During this 30-day
11 comment period, the Agency shall hold at least one public
12 hearing within each utility's service area for the purpose
13 of receiving public comment on the procurement plan.
14 Within 14 days following the end of the 30-day review
15 period, the Agency shall revise the procurement plan as
16 necessary based on the comments received and file the
17 procurement plan with the Commission and post the
18 procurement plan on the websites.

19 (3) Within 5 days after the filing of the procurement
20 plan, any person objecting to the procurement plan shall
21 file an objection with the Commission. Within 10 days
22 after the filing, the Commission shall determine whether a
23 hearing is necessary. The Commission shall enter its order
24 confirming or modifying the procurement plan within 90
25 days after the filing of the procurement plan by the
26 Illinois Power Agency.

1 (4) The Commission shall approve the procurement plan,
2 including expressly the forecast used in the procurement
3 plan, if the Commission determines that it will ensure
4 adequate, reliable, affordable, efficient, and
5 environmentally sustainable electric service at the lowest
6 total cost over time, taking into account any benefits of
7 price stability.

8 (e) The procurement process shall include each of the
9 following components:

10 (1) Solicitation, pre-qualification, and registration
11 of bidders. The procurement administrator shall
12 disseminate information to potential bidders to promote a
13 procurement event, notify potential bidders that the
14 procurement administrator may enter into a post-bid price
15 negotiation with bidders that meet the applicable
16 benchmarks, provide supply requirements, and otherwise
17 explain the competitive procurement process. In addition
18 to such other publication as the procurement administrator
19 determines is appropriate, this information shall be
20 posted on the Illinois Power Agency's and the Commission's
21 websites. The procurement administrator shall also
22 administer the prequalification process, including
23 evaluation of credit worthiness, compliance with
24 procurement rules, and agreement to the standard form
25 contract developed pursuant to paragraph (2) of this
26 subsection (e). The procurement administrator shall then

1 identify and register bidders to participate in the
2 procurement event.

3 (2) Standard contract forms and credit terms and
4 instruments. The procurement administrator, in
5 consultation with the utilities, the Commission, and other
6 interested parties and subject to Commission oversight,
7 shall develop and provide standard contract forms for the
8 supplier contracts that meet generally accepted industry
9 practices. Standard credit terms and instruments that meet
10 generally accepted industry practices shall be similarly
11 developed. The procurement administrator shall make
12 available to the Commission all written comments it
13 receives on the contract forms, credit terms, or
14 instruments. If the procurement administrator cannot reach
15 agreement with the applicable electric utility as to the
16 contract terms and conditions, the procurement
17 administrator must notify the Commission of any disputed
18 terms and the Commission shall resolve the dispute. The
19 terms of the contracts shall not be subject to negotiation
20 by winning bidders, and the bidders must agree to the
21 terms of the contract in advance so that winning bids are
22 selected solely on the basis of price.

23 (3) Establishment of a market-based price benchmark.
24 As part of the development of the procurement process, the
25 procurement administrator, in consultation with the
26 Commission staff, Agency staff, and the procurement

1 monitor, shall establish benchmarks for evaluating the
2 final prices in the contracts for each of the products
3 that will be procured through the procurement process. The
4 benchmarks shall be based on price data for similar
5 products for the same delivery period and same delivery
6 hub, or other delivery hubs after adjusting for that
7 difference. The price benchmarks may also be adjusted to
8 take into account differences between the information
9 reflected in the underlying data sources and the specific
10 products and procurement process being used to procure
11 power for the Illinois utilities. The benchmarks shall be
12 confidential but shall be provided to, and will be subject
13 to Commission review and approval, prior to a procurement
14 event.

15 (4) Request for proposals competitive procurement
16 process. The procurement administrator shall design and
17 issue a request for proposals to supply electricity in
18 accordance with each utility's procurement plan, as
19 approved by the Commission. The request for proposals
20 shall set forth a procedure for sealed, binding commitment
21 bidding with pay-as-bid settlement, and provision for
22 selection of bids on the basis of price.

23 (5) A plan for implementing contingencies in the event
24 of supplier default or failure of the procurement process
25 to fully meet the expected load requirement due to
26 insufficient supplier participation, Commission rejection

1 of results, or any other cause.

2 (i) Event of supplier default: In the event of
3 supplier default, the utility shall review the
4 contract of the defaulting supplier to determine if
5 the amount of supply is 200 megawatts or greater, and
6 if there are more than 60 days remaining of the
7 contract term. If both of these conditions are met,
8 and the default results in termination of the
9 contract, the utility shall immediately notify the
10 Illinois Power Agency that a request for proposals
11 must be issued to procure replacement power, and the
12 procurement administrator shall run an additional
13 procurement event. If the contracted supply of the
14 defaulting supplier is less than 200 megawatts or
15 there are less than 60 days remaining of the contract
16 term, the utility shall procure power and energy from
17 the applicable regional transmission organization
18 market, including ancillary services, capacity, and
19 day-ahead or real time energy, or both, for the
20 duration of the contract term to replace the
21 contracted supply; provided, however, that if a needed
22 product is not available through the regional
23 transmission organization market it shall be purchased
24 from the wholesale market.

25 (ii) Failure of the procurement process to fully
26 meet the expected load requirement: If the procurement

1 process fails to fully meet the expected load
2 requirement due to insufficient supplier participation
3 or due to a Commission rejection of the procurement
4 results, the procurement administrator, the
5 procurement monitor, and the Commission staff shall
6 meet within 10 days to analyze potential causes of low
7 supplier interest or causes for the Commission
8 decision. If changes are identified that would likely
9 result in increased supplier participation, or that
10 would address concerns causing the Commission to
11 reject the results of the prior procurement event, the
12 procurement administrator may implement those changes
13 and rerun the request for proposals process according
14 to a schedule determined by those parties and
15 consistent with Section 1-75 of the Illinois Power
16 Agency Act and this subsection. In any event, a new
17 request for proposals process shall be implemented by
18 the procurement administrator within 90 days after the
19 determination that the procurement process has failed
20 to fully meet the expected load requirement.

21 (iii) In all cases where there is insufficient
22 supply provided under contracts awarded through the
23 procurement process to fully meet the electric
24 utility's load requirement, the utility shall meet the
25 load requirement by procuring power and energy from
26 the applicable regional transmission organization

1 market, including ancillary services, capacity, and
2 day-ahead or real time energy, or both; provided,
3 however, that if a needed product is not available
4 through the regional transmission organization market
5 it shall be purchased from the wholesale market.

6 (6) The procurement process described in this
7 subsection is exempt from the requirements of the Illinois
8 Procurement Code, pursuant to Section 20-10 of that Code.

9 (f) Within 2 business days after opening the sealed bids,
10 the procurement administrator shall submit a confidential
11 report to the Commission. The report shall contain the results
12 of the bidding for each of the products along with the
13 procurement administrator's recommendation for the acceptance
14 and rejection of bids based on the price benchmark criteria
15 and other factors observed in the process. The procurement
16 monitor also shall submit a confidential report to the
17 Commission within 2 business days after opening the sealed
18 bids. The report shall contain the procurement monitor's
19 assessment of bidder behavior in the process as well as an
20 assessment of the procurement administrator's compliance with
21 the procurement process and rules. The Commission shall review
22 the confidential reports submitted by the procurement
23 administrator and procurement monitor, and shall accept or
24 reject the recommendations of the procurement administrator
25 within 2 business days after receipt of the reports.

26 (g) Within 3 business days after the Commission decision

1 approving the results of a procurement event, the utility
2 shall enter into binding contractual arrangements with the
3 winning suppliers using the standard form contracts; except
4 that the utility shall not be required either directly or
5 indirectly to execute the contracts if a tariff that is
6 consistent with subsection (l) of this Section has not been
7 approved and placed into effect for that utility.

8 (h) The names of the successful bidders and the load
9 weighted average of the winning bid prices for each contract
10 type and for each contract term shall be made available to the
11 public at the time of Commission approval of a procurement
12 event. The Commission, the procurement monitor, the
13 procurement administrator, the Illinois Power Agency, and all
14 participants in the procurement process shall maintain the
15 confidentiality of all other supplier and bidding information
16 in a manner consistent with all applicable laws, rules,
17 regulations, and tariffs. Confidential information, including
18 the confidential reports submitted by the procurement
19 administrator and procurement monitor pursuant to subsection
20 (f) of this Section, shall not be made publicly available and
21 shall not be discoverable by any party in any proceeding,
22 absent a compelling demonstration of need, nor shall those
23 reports be admissible in any proceeding other than one for law
24 enforcement purposes.

25 (i) Within 2 business days after a Commission decision
26 approving the results of a procurement event or such other

1 date as may be required by the Commission from time to time,
2 the utility shall file for informational purposes with the
3 Commission its actual or estimated retail supply charges, as
4 applicable, by customer supply group reflecting the costs
5 associated with the procurement and computed in accordance
6 with the tariffs filed pursuant to subsection (l) of this
7 Section and approved by the Commission.

8 (j) Within 60 days following August 28, 2007 (the
9 effective date of Public Act 95-481), each electric utility
10 that on December 31, 2005 provided electric service to at
11 least 100,000 customers in Illinois shall prepare and file
12 with the Commission an initial procurement plan, which shall
13 conform in all material respects to the requirements of the
14 procurement plan set forth in subsection (b); provided,
15 however, that the Illinois Power Agency Act shall not apply to
16 the initial procurement plan prepared pursuant to this
17 subsection. The initial procurement plan shall identify the
18 portfolio of power and energy products to be procured and
19 delivered for the period June 2008 through May 2009, and shall
20 identify the proposed procurement administrator, who shall
21 have the same experience and expertise as is required of a
22 procurement administrator hired pursuant to Section 1-75 of
23 the Illinois Power Agency Act. Copies of the procurement plan
24 shall be posted and made publicly available on the
25 Commission's website. The initial procurement plan may include
26 contracts for renewable resources that extend beyond May 2009.

1 (i) Within 14 days following filing of the initial
2 procurement plan, any person may file a detailed objection
3 with the Commission contesting the procurement plan
4 submitted by the electric utility. All objections to the
5 electric utility's plan shall be specific, supported by
6 data or other detailed analyses. The electric utility may
7 file a response to any objections to its procurement plan
8 within 7 days after the date objections are due to be
9 filed. Within 7 days after the date the utility's response
10 is due, the Commission shall determine whether a hearing
11 is necessary. If it determines that a hearing is
12 necessary, it shall require the hearing to be completed
13 and issue an order on the procurement plan within 60 days
14 after the filing of the procurement plan by the electric
15 utility.

16 (ii) The order shall approve or modify the procurement
17 plan, approve an independent procurement administrator,
18 and approve or modify the electric utility's tariffs that
19 are proposed with the initial procurement plan. The
20 Commission shall approve the procurement plan if the
21 Commission determines that it will ensure adequate,
22 reliable, affordable, efficient, and environmentally
23 sustainable electric service at the lowest total cost over
24 time, taking into account any benefits of price stability.

25 (k) (Blank).

26 (k-5) (Blank).

1 (1) An electric utility shall recover its costs incurred
2 under this Section, including, but not limited to, the costs
3 of procuring power and energy demand-response resources under
4 this Section. The utility shall file with the initial
5 procurement plan its proposed tariffs through which its costs
6 of procuring power that are incurred pursuant to a
7 Commission-approved procurement plan and those other costs
8 identified in this subsection (1), will be recovered. The
9 tariffs shall include a formula rate or charge designed to
10 pass through both the costs incurred by the utility in
11 procuring a supply of electric power and energy for the
12 applicable customer classes with no mark-up or return on the
13 price paid by the utility for that supply, plus any just and
14 reasonable costs that the utility incurs in arranging and
15 providing for the supply of electric power and energy. The
16 formula rate or charge shall also contain provisions that
17 ensure that its application does not result in over or under
18 recovery due to changes in customer usage and demand patterns,
19 and that provide for the correction, on at least an annual
20 basis, of any accounting errors that may occur. A utility
21 shall recover through the tariff all reasonable costs incurred
22 to implement or comply with any procurement plan that is
23 developed and put into effect pursuant to Section 1-75 of the
24 Illinois Power Agency Act and this Section, including any fees
25 assessed by the Illinois Power Agency, costs associated with
26 load balancing, and contingency plan costs. The electric

1 utility shall also recover its full costs of procuring
2 electric supply for which it contracted before the effective
3 date of this Section in conjunction with the provision of full
4 requirements service under fixed-price bundled service tariffs
5 subsequent to December 31, 2006. All such costs shall be
6 deemed to have been prudently incurred. The pass-through
7 tariffs that are filed and approved pursuant to this Section
8 shall not be subject to review under, or in any way limited by,
9 Section 16-111(i) of this Act. All of the costs incurred by the
10 electric utility associated with the purchase of zero emission
11 credits in accordance with subsection (d-5) of Section 1-75 of
12 the Illinois Power Agency Act and, beginning June 1, 2017, all
13 of the costs incurred by the electric utility associated with
14 the purchase of renewable energy resources in accordance with
15 Sections 1-56 and 1-75 of the Illinois Power Agency Act, shall
16 be recovered through the electric utility's tariffed charges
17 applicable to all of its retail customers, as specified in
18 subsection (k) of Section 16-108 of this Act, and shall not be
19 recovered through the electric utility's tariffed charges for
20 electric power and energy supply to its eligible retail
21 customers.

22 (m) The Commission has the authority to adopt rules to
23 carry out the provisions of this Section. For the public
24 interest, safety, and welfare, the Commission also has
25 authority to adopt rules to carry out the provisions of this
26 Section on an emergency basis immediately following August 28,

1 2007 (the effective date of Public Act 95-481).

2 (n) Notwithstanding any other provision of this Act, any
3 affiliated electric utilities that submit a single procurement
4 plan covering their combined needs may procure for those
5 combined needs in conjunction with that plan, and may enter
6 jointly into power supply contracts, purchases, and other
7 procurement arrangements, and allocate capacity and energy and
8 cost responsibility therefor among themselves in proportion to
9 their requirements.

10 (o) On or before June 1 of each year, the Commission shall
11 hold an informal hearing for the purpose of receiving comments
12 on the prior year's procurement process and any
13 recommendations for change.

14 (p) An electric utility subject to this Section may
15 propose to invest, lease, own, or operate an electric
16 generation facility as part of its procurement plan, provided
17 the utility demonstrates that such facility is the least-cost
18 option to provide electric service to those retail customers
19 included in the plan's electric supply service requirements.
20 If the facility is shown to be the least-cost option and is
21 included in a procurement plan prepared in accordance with
22 Section 1-75 of the Illinois Power Agency Act and this
23 Section, then the electric utility shall make a filing
24 pursuant to Section 8-406 of this Act, and may request of the
25 Commission any statutory relief required thereunder. If the
26 Commission grants all of the necessary approvals for the

1 proposed facility, such supply shall thereafter be considered
2 as a pre-existing contract under subsection (b) of this
3 Section. The Commission shall in any order approving a
4 proposal under this subsection specify how the utility will
5 recover the prudently incurred costs of investing in, leasing,
6 owning, or operating such generation facility through just and
7 reasonable rates charged to those retail customers included in
8 the plan's electric supply service requirements. Cost recovery
9 for facilities included in the utility's procurement plan
10 pursuant to this subsection shall not be subject to review
11 under or in any way limited by the provisions of Section
12 16-111(i) of this Act. Nothing in this Section is intended to
13 prohibit a utility from filing for a fuel adjustment clause as
14 is otherwise permitted under Section 9-220 of this Act.

15 (q) If the Illinois Power Agency filed with the
16 Commission, under Section 16-111.5 of this Act, its proposed
17 procurement plan for the period commencing June 1, 2017, and
18 the Commission has not yet entered its final order approving
19 the plan on or before the effective date of this amendatory Act
20 of the 99th General Assembly, then the Illinois Power Agency
21 shall file a notice of withdrawal with the Commission, after
22 the effective date of this amendatory Act of the 99th General
23 Assembly, to withdraw the proposed procurement of renewable
24 energy resources to be approved under the plan, other than the
25 procurement of renewable energy credits from distributed
26 renewable energy generation devices using funds previously

1 collected from electric utilities' retail customers that take
2 service pursuant to electric utilities' hourly pricing tariff
3 or tariffs and, for an electric utility that serves less than
4 100,000 retail customers in the State, other than the
5 procurement of renewable energy credits from distributed
6 renewable energy generation devices. Upon receipt of the
7 notice, the Commission shall enter an order that approves the
8 withdrawal of the proposed procurement of renewable energy
9 resources from the plan. The initially proposed procurement of
10 renewable energy resources shall not be approved or be the
11 subject of any further hearing, investigation, proceeding, or
12 order of any kind.

13 (r) For the procurement of standard wholesale products,
14 the names of the successful bidders and the load weighted
15 average of the winning bid prices for each contract type and
16 for each contract term shall be made available to the public at
17 the time of Commission approval of a procurement event. For
18 procurements conducted to meet the requirements of Section
19 1-56(b) or Section 1-75(c) of the Illinois Power Agency Act
20 governed by the provisions of this Section, the address and
21 nameplate capacity of the new renewable energy generating
22 facility proposed by a winning bidder shall also be made
23 available to the public at the time of Commission approval of a
24 procurement event, along with the business address and contact
25 information for any winning bidder. An estimate or
26 approximation of the nameplate capacity of the new renewable

1 energy generating facility may be disclosed if necessary to
2 protect the confidentiality of individual bid prices.

3 The Commission, the procurement monitor, the procurement
4 administrator, the Illinois Power Agency, and all participants
5 in the procurement process shall maintain the confidentiality
6 of all other supplier and bidding information in a manner
7 consistent with all applicable laws, rules, regulations, and
8 tariffs. Confidential information, including the confidential
9 reports submitted by the procurement administrator and
10 procurement monitor pursuant to subsection (f) of this
11 Section, shall not be made publicly available and shall not be
12 discoverable by any party in any proceeding, absent a
13 compelling demonstration of need, nor shall those reports be
14 admissible in any proceeding other than one for law
15 enforcement purposes.

16 This amendatory Act of the 99th General Assembly preempts
17 and supersedes any order entered by the Commission that
18 approved the Illinois Power Agency's procurement plan for the
19 period commencing June 1, 2017, to the extent it is
20 inconsistent with the provisions of this amendatory Act of the
21 99th General Assembly. To the extent any previously entered
22 order approved the procurement of renewable energy resources,
23 the portion of that order approving the procurement shall be
24 void, other than the procurement of renewable energy credits
25 from distributed renewable energy generation devices using
26 funds previously collected from electric utilities' retail

1 customers that take service under electric utilities' hourly
2 pricing tariff or tariffs and, for an electric utility that
3 serves less than 100,000 retail customers in the State, other
4 than the procurement of renewable energy credits for
5 distributed renewable energy generation devices.

6 (Source: P.A. 99-906, eff. 6-1-17.)

7 (220 ILCS 5/16-111.8)

8 Sec. 16-111.8. Automatic adjustment clause tariff;
9 uncollectibles.

10 (a) An electric utility shall be permitted, at its
11 election, to recover through an automatic adjustment clause
12 tariff the incremental difference between its actual
13 uncollectible amount as set forth in Account 904 in the
14 utility's most recent annual FERC Form 1 and the uncollectible
15 amount included in the utility's rates for the period reported
16 in such annual FERC Form 1. The Commission may, in a proceeding
17 to review a general rate case filed subsequent to the
18 effective date of the tariff established under this Section,
19 prospectively switch from using the actual uncollectible
20 amount set forth in Account 904 to using net write-offs in such
21 tariff, but only if net write-offs are also used to determine
22 the utility's uncollectible amount in rates. In the event the
23 Commission requires such a change, it shall be made effective
24 at the beginning of the first full calendar year after the new
25 rates approved in such proceeding are first placed in effect

1 and an adjustment shall be made, if necessary, to ensure the
2 change does not result in double-recovery or unrecovered
3 uncollectible amounts for any year. For purposes of this
4 Section, "uncollectible amount" means the expense set forth in
5 Account 904 of the utility's FERC Form 1 or cost of net
6 write-offs as appropriate. In the event the utility's rates
7 change during the period of time reported in its most recent
8 annual FERC Form 1, the uncollectible amount included in the
9 utility's rates during such period of time for purposes of
10 this Section will be a weighted average, based on revenues
11 earned during such period by the utility under each set of
12 rates, of the uncollectible amount included in the utility's
13 rates at the beginning of such period and at the end of such
14 period. This difference may either be a charge or a credit to
15 customers depending on whether the uncollectible amount is
16 more or less than the uncollectible amount then included in
17 the utility's rates.

18 (b) The tariff may be established outside the context of a
19 general rate case filing and shall specify the terms of any
20 applicable audit. The Commission shall review and by order
21 approve, or approve as modified, the proposed tariff within
22 180 days after the date on which it is filed. Charges and
23 credits under the tariff shall be allocated to the appropriate
24 customer class or classes. In addition, customers who purchase
25 their electric supply from an alternative retail electric
26 supplier shall not be charged by the utility for uncollectible

1 amounts associated with electric supply provided by the
2 utility to the utility's customers, provided that nothing in
3 this Section is intended to affect or alter the rights and
4 obligations imposed pursuant to Section 16-118 of this Act and
5 any Commission order issued thereunder. Upon approval of the
6 tariff, the utility shall, based on the 2008 FERC Form 1, apply
7 the appropriate credit or charge based on the full year 2008
8 amounts for the remainder of the 2010 calendar year. Starting
9 with the 2009 FERC Form 1 reporting period and each subsequent
10 period, the utility shall apply the appropriate credit or
11 charge over a 12-month period beginning with the June billing
12 period and ending with the May billing period, with the first
13 such billing period beginning June 2010.

14 (c) The approved tariff shall provide that the utility
15 shall file a petition with the Commission annually, no later
16 than August 31st, seeking initiation of an annual review to
17 reconcile all amounts collected with the actual uncollectible
18 amount in the prior period. As part of its review, the
19 Commission shall verify that the utility collects no more and
20 no less than its actual uncollectible amount in each
21 applicable FERC Form 1 reporting period, and that the utility
22 has demonstrated actions to make its rates more affordable,
23 minimize disconnections, and preserve the availability of
24 utility services to all customers, consistent with item (viii)
25 of subsection (d) of Section 1-102. The Commission shall
26 review the prudence and reasonableness of the utility's

1 actions to pursue minimization and collection of
2 uncollectibles and preserve the availability of utility
3 services to all customers, which shall include, at a minimum,
4 the ~~6~~ enumerated criteria set forth in this Section. The
5 Commission shall determine any required adjustments and may
6 include suggestions for prospective changes in current
7 practices. Nothing in this Section or the implementing tariffs
8 shall affect or alter the electric utility's existing
9 obligation to pursue collection of uncollectibles or the
10 electric utility's right to disconnect service. A utility that
11 has in effect a tariff authorized by this Section shall pursue
12 minimization of and collection of uncollectibles through the
13 following activities, including, but not limited to:

14 (1) contacting the customers in an effort to obtain
15 payment;

16 (2) providing delinquent customers with information
17 about possible options, including payment plans and
18 assistance programs, and how to reach agencies and
19 community-based organizations that provide assistance;

20 (3) specific action to limit disconnections in zip
21 code areas that would otherwise be disproportionately
22 impacted by the utility's credit and collection policies;

23 (4) community outreach in areas demonstrating higher
24 than average arrearages to help inform customers about
25 available assistance programs;

26 (5) providing bill payment assistance funds in an

1 amount that equals 50% of its total uncollectibles for
2 calendar year 2019, the funding of which shall be
3 recovered through the automatic adjustment clause that is
4 the subject of this subsection;

5 (6) demonstrating that the bill payment assistance
6 funds reduced the number of disconnections in the
7 reconciliation year;

8 (7) the offering of a Commission-approved discount
9 rate tariff pursuant to Section 9-241, tiered by income
10 level, for customers whose income falls at or below 80% of
11 area median income; and

12 (8) an arrearage reduction program for low income
13 discount rate customers that eliminates customer
14 arrears in ratable proportion for each month that plan
15 participants timely pay their utility bill.

16 ~~(1) identifying customers with late payments;~~

17 ~~(2) contacting the customers in an effort to obtain~~
18 ~~payment;~~

19 ~~(3) providing delinquent customers with information~~
20 ~~about possible options, including payment plans and~~
21 ~~assistance programs;~~

22 ~~(4) serving disconnection notices;~~

23 ~~(5) implementing disconnections based on the level of~~
24 ~~uncollectibles; and~~

25 ~~(6) pursuing collection activities based on the level~~
26 ~~of uncollectibles.~~

1 (d) Nothing in this Section shall be construed to require
2 a utility to immediately disconnect service for nonpayment.

3 (Source: P.A. 96-33, eff. 7-10-09; 96-1000, eff. 7-2-10.)

4 (220 ILCS 5/16-115)

5 Sec. 16-115. Certification of alternative retail electric
6 suppliers.

7 (a) Any alternative retail electric supplier must obtain a
8 certificate of service authority from the Commission in
9 accordance with this Section before serving any retail
10 customer or other user located in this State. An alternative
11 retail electric supplier may request, and the Commission may
12 grant, a certificate of service authority for the entire State
13 or for a specified geographic area of the State. A license
14 granted pursuant to this Section is not property and the grant
15 of a license to an entity does not create a property interest
16 in the license.

17 (b) An alternative retail electric supplier seeking a
18 certificate of service authority shall file with the
19 Commission a verified application containing information
20 showing that the applicant meets the requirements of this
21 Section. The alternative retail electric supplier shall
22 publish notice of its application in the official State
23 newspaper within 10 days following the date of its filing. No
24 later than 45 days after the application is properly filed
25 with the Commission, and such notice is published, the

1 Commission shall issue its order granting or denying the
2 application.

3 (c) An application for a certificate of service authority
4 shall identify the area or areas in which the applicant
5 intends to offer service and the types of services it intends
6 to offer. Applicants that seek to serve residential or small
7 commercial retail customers within a geographic area that is
8 smaller than an electric utility's service area shall submit
9 evidence demonstrating that the designation of this smaller
10 area does not violate Section 16-115A. An applicant that seeks
11 to serve residential or small commercial retail customers may
12 state in its application for certification any limitations
13 that will be imposed on the number of customers or maximum load
14 to be served.

15 (d) The Commission shall grant the application for a
16 certificate of service authority if it makes the findings set
17 forth in this subsection based on the verified application and
18 such other information as the applicant may submit:

19 (1) That the applicant possesses sufficient technical,
20 financial and managerial resources and abilities to
21 provide the service for which it seeks a certificate of
22 service authority. In determining the level of technical,
23 financial and managerial resources and abilities which the
24 applicant must demonstrate, the Commission shall consider
25 (i) the characteristics, including the size and financial
26 sophistication, of the customers that the applicant seeks

1 to serve, and (ii) whether the applicant seeks to provide
2 electric power and energy using property, plant and
3 equipment which it owns, controls or operates;

4 (2) That the applicant will comply with all applicable
5 federal, State, regional and industry rules, policies,
6 practices and procedures for the use, operation, and
7 maintenance of the safety, integrity and reliability, of
8 the interconnected electric transmission system;

9 (3) That the applicant will only provide service to
10 retail customers in an electric utility's service area
11 that are eligible to take delivery services under this
12 Act;

13 (4) That the applicant will comply with such
14 informational or reporting requirements as the Commission
15 may by rule establish and provide the information required
16 by Section 16-112. Any data related to contracts for the
17 purchase and sale of electric power and energy shall be
18 made available for review by the Staff of the Commission
19 on a confidential and proprietary basis and only to the
20 extent and for the purposes which the Commission
21 determines are reasonably necessary in order to carry out
22 the purposes of this Act;

23 (5) That the applicant will procure renewable energy
24 resources in accordance with Section 16-115D of this Act,
25 and will source electricity from clean coal facilities, as
26 defined in Section 1-10 of the Illinois Power Agency Act,

1 in amounts at least equal to the percentages set forth in
2 subsections (c) and (d) of Section 1-75 of the Illinois
3 Power Agency Act. For purposes of this Section:

4 (i) (blank);

5 (ii) (blank);

6 (iii) the required sourcing of electricity
7 generated by clean coal facilities, other than the
8 initial clean coal facility, shall be limited to the
9 amount of electricity that can be procured or sourced
10 at a price at or below the benchmarks approved by the
11 Commission each year in accordance with item (1) of
12 subsection (c) and items (1) and (5) of subsection (d)
13 of Section 1-75 of the Illinois Power Agency Act;

14 (iv) all alternative retail electric suppliers
15 shall execute a sourcing agreement to source
16 electricity from the initial clean coal facility, on
17 the terms set forth in paragraphs (3) and (4) of
18 subsection (d) of Section 1-75 of the Illinois Power
19 Agency Act, except that in lieu of the requirements in
20 subparagraphs (A)(v), (B)(i), (C)(v), and (C)(vi) of
21 paragraph (3) of that subsection (d), the applicant
22 shall execute one or more of the following:

23 (1) if the sourcing agreement is a power
24 purchase agreement, a contract with the initial
25 clean coal facility to purchase in each hour an
26 amount of electricity equal to all clean coal

1 energy made available from the initial clean coal
2 facility during such hour, which the utilities are
3 not required to procure under the terms of
4 subsection (d) of Section 1-75 of the Illinois
5 Power Agency Act, multiplied by a fraction, the
6 numerator of which is the alternative retail
7 electric supplier's retail market sales of
8 electricity (expressed in kilowatthours sold) in
9 the State during the prior calendar month and the
10 denominator of which is the total sales of
11 electricity (expressed in kilowatthours sold) in
12 the State by alternative retail electric suppliers
13 during such prior month that are subject to the
14 requirements of this paragraph (5) of subsection
15 (d) of this Section and subsection (d) of Section
16 1-75 of the Illinois Power Agency Act plus the
17 total sales of electricity (expressed in
18 kilowatthours sold) by utilities outside of their
19 service areas during such prior month, pursuant to
20 subsection (c) of Section 16-116 of this Act; or

21 (2) if the sourcing agreement is a contract
22 for differences, a contract with the initial clean
23 coal facility in each hour with respect to an
24 amount of electricity equal to all clean coal
25 energy made available from the initial clean coal
26 facility during such hour, which the utilities are

1 not required to procure under the terms of
2 subsection (d) of Section 1-75 of the Illinois
3 Power Agency Act, multiplied by a fraction, the
4 numerator of which is the alternative retail
5 electric supplier's retail market sales of
6 electricity (expressed in kilowatthours sold) in
7 the State during the prior calendar month and the
8 denominator of which is the total sales of
9 electricity (expressed in kilowatthours sold) in
10 the State by alternative retail electric suppliers
11 during such prior month that are subject to the
12 requirements of this paragraph (5) of subsection
13 (d) of this Section and subsection (d) of Section
14 1-75 of the Illinois Power Agency Act plus the
15 total sales of electricity (expressed in
16 kilowatthours sold) by utilities outside of their
17 service areas during such prior month, pursuant to
18 subsection (c) of Section 16-116 of this Act;

19 (v) if, in any year after the first year of
20 commercial operation, the owner of the clean coal
21 facility fails to demonstrate to the Commission that
22 the initial clean coal facility captured and
23 sequestered at least 50% of the total carbon emissions
24 that the facility would otherwise emit or that
25 sequestration of emissions from prior years has
26 failed, resulting in the release of carbon into the

1 atmosphere, the owner of the facility must offset
2 excess emissions. Any such carbon offsets must be
3 permanent, additional, verifiable, real, located
4 within the State of Illinois, and legally and
5 practicably enforceable. The costs of any such offsets
6 that are not recoverable shall not exceed \$15 million
7 in any given year. No costs of any such purchases of
8 carbon offsets may be recovered from an alternative
9 retail electric supplier or its customers. All carbon
10 offsets purchased for this purpose and any carbon
11 emission credits associated with sequestration of
12 carbon from the facility must be permanently retired.
13 The initial clean coal facility shall not forfeit its
14 designation as a clean coal facility if the facility
15 fails to fully comply with the applicable carbon
16 sequestration requirements in any given year, provided
17 the requisite offsets are purchased. However, the
18 Attorney General, on behalf of the People of the State
19 of Illinois, may specifically enforce the facility's
20 sequestration requirement and the other terms of this
21 contract provision. Compliance with the sequestration
22 requirements and offset purchase requirements that
23 apply to the initial clean coal facility shall be
24 reviewed annually by an independent expert retained by
25 the owner of the initial clean coal facility, with the
26 advance written approval of the Attorney General;

1 (vi) The Commission shall, after notice and
2 hearing, revoke the certification of any alternative
3 retail electric supplier that fails to execute a
4 sourcing agreement with the initial clean coal
5 facility as required by item (5) of subsection (d) of
6 this Section. The sourcing agreements with this
7 initial clean coal facility shall be subject to both
8 approval of the initial clean coal facility by the
9 General Assembly and satisfaction of the requirements
10 of item (4) of subsection (d) of Section 1-75 of the
11 Illinois Power Agency Act, and shall be executed
12 within 90 days after any such approval by the General
13 Assembly. The Commission shall not accept an
14 application for certification from an alternative
15 retail electric supplier that has lost certification
16 under this subsection (d), or any corporate affiliate
17 thereof, for at least one year from the date of
18 revocation;

19 (6) With respect to an applicant that seeks to serve
20 residential or small commercial retail customers, that the
21 area to be served by the applicant and any limitations it
22 proposes on the number of customers or maximum amount of
23 load to be served meet the provisions of Section 16-115A,
24 provided, that the Commission can extend the time for
25 considering such a certificate request by up to 90 days,
26 and can schedule hearings on such a request;

1 (7) That the applicant meets the requirements of
2 subsection (a) of Section 16-128;

3 (8) That the applicant discloses whether the applicant
4 is the subject of any lawsuit filed in a court of law or
5 formal complaint filed with a regulatory agency alleging
6 fraud, deception, or unfair marketing practices or other
7 similar allegations and, if the applicant is the subject
8 of such lawsuit or formal complaint, the applicant shall
9 identify the name, case number, and jurisdiction of each
10 lawsuit or complaint. For the purpose of this item (8),
11 "formal complaint" includes only those complaints that
12 seek a binding determination from a State or federal
13 regulatory body;

14 (9) That the applicant shall continue to comply with
15 requirements for certification stated in this Section;

16 (10) That the applicant shall execute and maintain a
17 license or permit bond issued by a qualifying surety or
18 insurance company authorized to transact business in the
19 State of Illinois in favor of the People of the State of
20 Illinois. The amount of the bond shall equal \$30,000 if
21 the applicant seeks to serve only nonresidential retail
22 customers with maximum electrical demands of one megawatt
23 or more, \$150,000 if the applicant seeks to serve only
24 non-residential retail customers with annual electrical
25 consumption greater than 15,000 kWh, or \$500,000 if the
26 applicant seeks to serve all eligible customers.

1 Applicants shall be required to submit an additional
2 \$500,000 bond if the applicant intends to market to
3 residential customers using in-person solicitations. The
4 bond shall be conditioned upon the full and faithful
5 performance of all duties and obligations of the applicant
6 as an alternative retail electric supplier and shall be
7 valid for a period of not less than one year. The cost of
8 the bond shall be paid by the applicant. The applicant
9 shall file a copy of this bond, with a notarized
10 verification page from the issuer, as part of its
11 application for certification under 83 Ill. Adm. Code 451;
12 and

13 (11) That the applicant will comply with all other
14 applicable laws and regulations.

15 (d-3) The Commission may deny with prejudice an
16 application in which the applicant fails to provide the
17 Commission with information sufficient for the Commission to
18 grant the application.

19 (d-5) (Blank).

20 (e) A retail customer that owns a cogeneration or
21 self-generation facility and that seeks certification only to
22 provide electric power and energy from such facility to retail
23 customers at separate locations which customers are both (i)
24 owned by, or a subsidiary or other corporate affiliate of,
25 such applicant and (ii) eligible for delivery services, shall
26 be granted a certificate of service authority upon filing an

1 application and notifying the Commission that it has entered
2 into an agreement with the relevant electric utilities
3 pursuant to Section 16-118. Provided, however, that if the
4 retail customer owning such cogeneration or self-generation
5 facility would not be charged a transition charge due to the
6 exemption provided under subsection (f) of Section 16-108
7 prior to the certification, and the retail customers at
8 separate locations are taking delivery services in conjunction
9 with purchasing power and energy from the facility, the retail
10 customer on whose premises the facility is located shall not
11 thereafter be required to pay transition charges on the power
12 and energy that such retail customer takes from the facility.

13 (f) The Commission shall have the authority to promulgate
14 rules and regulations to carry out the provisions of this
15 Section. On or before May 1, 1999, the Commission shall adopt a
16 rule or rules applicable to the certification of those
17 alternative retail electric suppliers that seek to serve only
18 nonresidential retail customers with maximum electrical
19 demands of one megawatt or more which shall provide for (i)
20 expedited and streamlined procedures for certification of such
21 alternative retail electric suppliers and (ii) specific
22 criteria which, if met by any such alternative retail electric
23 supplier, shall constitute the demonstration of technical,
24 financial and managerial resources and abilities to provide
25 service required by subsection (d) (1) of this Section, such
26 as a requirement to post a bond or letter of credit, from a

1 responsible surety or financial institution, of sufficient
2 size for the nature and scope of the services to be provided;
3 demonstration of adequate insurance for the scope and nature
4 of the services to be provided; and experience in providing
5 similar services in other jurisdictions.

6 (g) An alternative retail electric supplier may seek
7 confidential treatment for the following information by filing
8 an affidavit with the Commission so long as the affidavit
9 meets the requirements in this subsection (g):

10 (1) the total annual kilowatt-hours delivered and sold
11 by an alternative retail electric supplier to retail
12 customers within each utility service territory and the
13 total annual kilowatt-hours delivered and sold by an
14 alternative retail electric supplier to retail customers
15 in all utility service territories in the preceding
16 calendar year as required by 83 Ill. Adm. Code 451.770;

17 (2) the total peak demand supplied by an alternative
18 retail electric supplier during the previous year in each
19 utility service territory as required by 83 Ill. Adm. Code
20 465.40;

21 (3) a good faith estimate of the amount an alternative
22 retail electric supplier expects to be obliged to pay the
23 utility under single billing tariffs during the next 12
24 months and the amount of any bond or letter of credit used
25 to demonstrate an alternative retail electric supplier's
26 credit worthiness to provide single billing services

1 pursuant to 83 Ill. Adm. Code 451.510(a) and (b).

2 The affidavit must be filed contemporaneously with the
3 information for which confidential treatment is sought and
4 must clearly state that the affiant seeks confidential
5 treatment pursuant to this subsection (g) and the information
6 for which confidential treatment is sought must be clearly
7 identified on the confidential version of the document filed
8 with the Commission. The affidavit must be accompanied by a
9 "confidential" and a "public" version of the document or
10 documents containing the information for which confidential
11 treatment is sought.

12 If the alternative retail electric supplier has met the
13 affidavit requirements of this subsection (g), then the
14 Commission shall afford confidential treatment to the
15 information identified in the affidavit for a period of 2
16 years after the date the affidavit is received by the
17 Commission.

18 Nothing in this subsection (g) prevents an alternative
19 retail electric supplier from filing a petition with the
20 Commission seeking confidential treatment for information
21 beyond that identified in this subsection (g) or for
22 information contained in other reports or documents filed with
23 the Commission.

24 Nothing in this subsection (g) prevents the Commission, on
25 its own motion, or any party from filing a formal petition with
26 the Commission seeking to reconsider the conferring of

1 confidential status on an item of information afforded
2 confidential treatment pursuant to this subsection (g).

3 The Commission, on its own motion, may at any time
4 initiate a docketed proceeding to investigate the continued
5 applicability of this subsection (g) to the information
6 contained in items (i), (ii), and (iii) of this subsection
7 (g). If, at the end of such investigation, the Commission
8 determines that a particular item of information should no
9 longer be eligible for the affidavit-based process outlined in
10 this subsection (g), the Commission may enter an order to
11 remove that item from the list of items eligible for the
12 process set forth in this subsection (g). Notwithstanding any
13 such order, in the event the Commission makes such a
14 determination, nothing in this subsection (g) prevents an
15 alternative retail electric supplier desiring confidential
16 treatment for such information from filing a formal petition
17 with the Commission seeking confidential treatment for such
18 information.

19 (Source: P.A. 101-590, eff. 1-1-20.)

20 (220 ILCS 5/16-115C)

21 Sec. 16-115C. Licensure of agents, brokers, and
22 consultants engaged in the procurement or sale of retail
23 electricity supply for third parties.

24 (a) The purpose of this Section is to adopt licensing and
25 code of conduct rules in a competitive retail electricity

1 market to protect Illinois consumers from unfair or deceptive
2 acts or practices and to provide persons acting as agents,
3 brokers, and consultants engaged in the procurement or sale of
4 retail electricity supply for third parties with notice of the
5 illegality of those acts or practices.

6 (a-5) All third-party sales representatives engaged in the
7 marketing of retail electricity supply must, prior to the
8 customer signing a contract, disclose that they are not
9 employed by the electric utility operating in the applicable
10 service territory.

11 (b) For purposes of this Section, "agents, brokers, and
12 consultants engaged in the procurement or sale of retail
13 electricity supply for third parties" means any person or
14 entity that attempts to procure on behalf of or sell retail
15 electric service to an electric customer in the State.
16 "Agents, brokers, and consultants engaged in the procurement
17 or sale of retail electricity supply for third parties" does
18 not include the Illinois Power Agency or any of its employees,
19 any entity licensed as an alternative retail electric supplier
20 pursuant to 83 Ill. Adm. Code 451 offering retail electric
21 service on its own behalf, any person acting exclusively on
22 behalf of a single alternative retail electric supplier on
23 condition that exclusivity is disclosed to any third party
24 contracted in such agent capacity, any person acting
25 exclusively on behalf of a retail electric supplier on
26 condition that exclusivity is disclosed to any third party

1 contracted in such agent capacity, any person or entity
2 representing a municipal power agency, as defined in Section
3 11-119.1-3 of the Illinois Municipal Code, or any person or
4 entity that is attempting to procure on behalf of or sell
5 retail electric service to a third party that has aggregate
6 billing demand of all of its affiliated electric service
7 accounts in Illinois of greater than 1,500 kW.

8 (c) No person or entity shall act as an agent, broker, or
9 consultant engaged in the procurement or sale of retail
10 electricity supply for third parties unless that person or
11 entity is licensed by the Commission under this Section or is
12 offering services on their own behalf under 83 Ill. Adm. Code
13 451. A license granted pursuant to this Section is not
14 property and the grant of a license to an entity does not
15 create a property interest in the license.

16 (d) The Commission shall create requirements for licensure
17 as an agent, broker, or consultant engaged in the procurement
18 or sale of retail electricity supply for third parties, which
19 shall include all of the following criteria:

20 (1) Technical competence.

21 (2) Managerial competence.

22 (3) Financial responsibility, including the posting of
23 an appropriate performance bond.

24 (4) Annual reporting requirements.

25 (e) Any person or entity required to be licensed under
26 this Section must:

1 (1) disclose in plain language in writing to all
2 persons it solicits (i) before July 1, 2011, the total
3 anticipated remuneration to be paid to it by any third
4 party over the period of the proposed underlying customer
5 contract and (ii) on or after July 1, 2011, the total price
6 per kilowatt-hour, and the total anticipated cost,
7 inclusive of all fees or commissions received by the
8 licensee, to be paid by the customer over the period of the
9 proposed underlying customer contract;

10 (2) disclose, if applicable, to all customers, prior
11 to the customer signing a contract, the fact that they
12 will be receiving compensation from the supplier;

13 (3) not hold itself out as independent or unaffiliated
14 with any supplier, or both, or use words reasonably
15 calculated to give that impression, unless the person
16 offering service under this Section has no contractual
17 relationship with any retail electricity supplier or its
18 affiliates regarding retail electric service in Illinois;

19 (4) not utilize false, misleading, materially
20 inaccurate, defamatory, or otherwise deceptive language or
21 materials in the soliciting or providing of its services;

22 (5) maintain copies of all marketing materials
23 disseminated to third parties for a period of not less
24 than 3 years;

25 (6) not present electricity pricing information in a
26 manner that favors one supplier over another, unless a

1 valid pricing comparison is made utilizing all relevant
2 costs and terms; and

3 (7) comply with the requirements of Sections 2EE, 2FF,
4 2GG, and 2HH of the Consumer Fraud and Deceptive Business
5 Practices Act.

6 (f) Any person or entity licensed under this Section shall
7 file with the Commission all of the following information no
8 later than March of each year:

9 (1) A verified report detailing any and all
10 contractual relationships that it has with certified
11 electricity suppliers in the State regarding retail
12 electric service in Illinois.

13 (2) A verified report detailing the distribution of
14 its customers with the various certified electricity
15 suppliers in Illinois during the prior calendar year. A
16 report under this Section shall not be required to contain
17 customer-identifying information.

18 A public redacted version of the verified report may
19 be submitted to the Commission along with a proprietary
20 version. The public redacted version may redact from the
21 verified report the name or names of every certified
22 electricity supplier contained in the report to protect
23 against disclosure of competitively sensitive market share
24 information. The information shall be afforded proprietary
25 treatment for 2 years after the date of the filing of the
26 verified report.

1 (3) A verified statement of any changes to the
2 original licensure qualifications and notice of continuing
3 compliance with all requirements.

4 (g) The Commission shall have jurisdiction over
5 ~~disciplinary proceedings and~~ complaints, including on the
6 Commission's own motion, for violations of this Section. The
7 findings of a violation of this Section by the Commission
8 shall result in discipline on a progressive ~~disciplinary~~
9 scale. For a first violation, the Commission may, in its
10 discretion, suspend the license of the person or entity ~~so~~
11 ~~disciplined~~ for a period of no less than one month. For a
12 second violation within a 5-year period, the Commission shall
13 suspend the license of ~~for~~ the person or entity ~~so disciplined~~
14 for a period of not less than 6 months. For a third or
15 subsequent violation within a 5-year period, the Commission
16 shall suspend the license of the disciplined person for a
17 period of not less than 2 years. Notwithstanding the minimum
18 progressive suspensions, the Commission shall have authority,
19 in its discretion, to impose whatever disciplinary measures it
20 deems appropriate for any violation, including but not limited
21 to terminating the license of the person or entity.

22 (h) This Section shall not apply to a retail customer that
23 operates or manages either directly or indirectly any
24 facilities, equipment, or property used or contemplated to be
25 used to distribute electric power or energy if that retail
26 customer is a political subdivision or public institution of

1 higher education of this State, or any corporation, company,
2 limited liability company, association, joint-stock company or
3 association, firm, partnership, or individual, or their
4 lessees, trusts, or receivers appointed by any court
5 whatsoever that are owned or controlled by the political
6 subdivision, public institution of higher education, or
7 operated by any of its lessees or operating agents.

8 (Source: P.A. 95-679, eff. 10-11-07; 96-1385, eff. 7-29-10.)

9 (220 ILCS 5/19-110)

10 Sec. 19-110. Certification of alternative gas suppliers.

11 (a) The provisions of this Section shall apply only to
12 alternative gas suppliers serving or seeking to serve
13 residential or small commercial customers and only to the
14 extent such alternative gas suppliers provide services to
15 residential or small commercial customers.

16 (b) An alternative gas supplier must obtain a certificate
17 of service authority from the Commission in accordance with
18 this Section before serving any customer or other user located
19 in this State. An alternative gas supplier may request, and
20 the Commission may grant, a certificate of service authority
21 for the entire State or for a specified geographic area of the
22 State. An alternative gas supplier may request, and the
23 Commission may grant, a certificate of service authority for
24 the entire State or for a specified geographic area of the
25 State. A license granted pursuant to this Section is not

1 property and the grant of a license to an entity does not
2 create a property interest in the license. A person,
3 corporation, or other entity acting as an alternative gas
4 supplier on the effective date of this amendatory Act of the
5 92nd General Assembly shall have 180 days from the effective
6 date of this amendatory Act of the 92nd General Assembly to
7 comply with the requirements of this Section in order to
8 continue to operate as an alternative gas supplier.

9 (c) An alternative gas supplier seeking a certificate of
10 service authority shall file with the Commission a verified
11 application containing information showing that the applicant
12 meets the requirements of this Section. The alternative gas
13 supplier shall publish notice of its application in the
14 official State newspaper within 10 days following the date of
15 its filing. No later than 45 days after the application is
16 properly filed with the Commission, and such notice is
17 published, the Commission shall issue its order granting or
18 denying the application.

19 (d) An application for a certificate of service authority
20 shall identify the area or areas in which the applicant
21 intends to offer service and the types of services it intends
22 to offer. Applicants that seek to serve residential or small
23 commercial customers within a geographic area that is smaller
24 than a gas utility's service area shall submit evidence
25 demonstrating that the designation of this smaller area does
26 not violate Section 19-115. An applicant may state in its

1 application for certification any limitations that will be
2 imposed on the number of customers or maximum load to be
3 served. The applicant shall submit as part of its application
4 a statement indicating:

5 (1) Whether the applicant has been denied a natural
6 gas supplier license in any state in the United States.

7 (2) Whether the applicant has had a natural gas
8 supplier license suspended or revoked by any state in the
9 United States.

10 (3) Where, if any, other natural gas supplier license
11 applications are pending in the United States.

12 (4) Whether the applicant is the subject of any
13 lawsuits filed in a court of law or formal complaints
14 filed with a regulatory agency alleging fraud, deception
15 or unfair marketing practices, or other similar
16 allegations, identifying the name, case number, and
17 jurisdiction of each such lawsuit or complaint.

18 For the purposes of this subsection (d), formal complaints
19 include only those complaints that seek a binding
20 determination from a state or federal regulatory body.

21 (e) The Commission shall grant the application for a
22 certificate of service authority if it makes the findings set
23 forth in this subsection based on the verified application and
24 such other information as the applicant may submit.

25 (1) That the applicant possesses sufficient technical,
26 financial, and managerial resources and abilities to

1 provide the service for which it seeks a certificate of
2 service authority. In determining the level of technical,
3 financial, and managerial resources and abilities which
4 the applicant must demonstrate, the Commission shall
5 consider:

6 (A) the characteristics, including the size and
7 financial sophistication of the customers that the
8 applicant seeks to serve;

9 (B) whether the applicant seeks to provide gas
10 using property, plant, and equipment that it owns,
11 controls, or operates; and

12 (C) the applicant's commitment of resources to the
13 management of sales and marketing staff, through
14 affirmative managerial policies, independent audits,
15 technology, hands-on field monitoring and training,
16 and, in the case of applicants who will have sales
17 personnel or sales agents within the State of
18 Illinois, the applicant's managerial presence within
19 the State.

20 (2) That the applicant will comply with all applicable
21 federal, State, regional, and industry rules, policies,
22 practices, and procedures for the use, operation, and
23 maintenance of the safety, integrity, and reliability of
24 the gas transmission system.

25 (3) That the applicant will comply with such
26 informational or reporting requirements as the Commission

1 may by rule establish.

2 (4) That the area to be served by the applicant and any
3 limitations it proposes on the number of customers or
4 maximum amount of load to be served meet the provisions of
5 Section 19-115, provided, that if the applicant seeks to
6 serve an area smaller than the service area of a gas
7 utility or proposes other limitations on the number of
8 customers or maximum amount of load to be served, the
9 Commission can extend the time for considering such a
10 certificate request by up to 90 days, and can schedule
11 hearings on such a request.

12 (5) That the applicant shall continue to comply with
13 requirements for certification stated in this Section.

14 (6) That the applicant shall execute and maintain a
15 license or permit bond issued by a qualifying surety or
16 insurance company authorized to transact business in the
17 State of Illinois in favor of the People of the State of
18 Illinois. The amount of the bond shall equal \$150,000 if
19 the applicant seeks to serve only nonresidential retail
20 customers or \$500,000 if the applicant seeks to serve all
21 eligible customers. Applicants shall be required to submit
22 an additional \$500,000 bond if the applicant intends to
23 market to residential customers using in-person
24 solicitations. The bond shall be conditioned upon the full
25 and faithful performance of all duties and obligations of
26 the applicant as an alternative retail gas supplier and

1 shall be valid for a period of not less than one year. The
2 cost of the bond shall be paid by the applicant. The
3 applicant shall file a copy of this bond, with a notarized
4 verification page from the issuer, as part of its
5 application for certification under 83 Ill. Adm. Code 551.

6 (7) That the applicant will comply with all other
7 applicable laws and rules.

8 (e-5) The Commission may deny with prejudice an
9 application in which the applicant fails to provide the
10 Commission with information sufficient for the Commission to
11 grant the application.

12 (f) The Commission can extend the time for considering
13 such a certificate request by up to 90 days, and can schedule
14 hearings on such a request if:

15 (1) a party to the application proceeding has formally
16 requested that the Commission hold hearings in a pleading
17 that alleges that one or more of the allegations or
18 certifications in the application is false or misleading;
19 or

20 (2) other facts or circumstances exist that will
21 necessitate additional time or evidence in order to
22 determine whether a certificate should be issued.

23 (g) The Commission shall have the authority to promulgate
24 rules to carry out the provisions of this Section. Within 30
25 days after the effective date of this amendatory Act of the
26 92nd General Assembly, the Commission shall adopt an emergency

1 rule or rules applicable to the certification of those gas
2 suppliers that seek to serve residential customers. Within 180
3 days of the effective date of this amendatory Act of the 92nd
4 General Assembly, the Commission shall adopt rules that
5 specify criteria which, if met by any such alternative gas
6 supplier, shall constitute the demonstration of technical,
7 financial, and managerial resources and abilities to provide
8 service required by item (1) of subsection (e) of this
9 Section, such as a requirement to post a bond or letter of
10 credit, from a responsible surety or financial institution, of
11 sufficient size for the nature and scope of the services to be
12 provided, demonstration of adequate insurance for the scope
13 and nature of the services to be provided, and experience in
14 providing similar services in other jurisdictions.

15 (h) The Commission may deny with prejudice any application
16 that repeatedly fails to include the attachments,
17 documentation, and affidavits required by the application form
18 or that repeatedly fails to provide any other information
19 required by this Section.

20 (i) An alternative gas supplier may seek confidential
21 treatment for the reporting to the Commission of its total
22 annual dekatherms delivered and sold by it to residential and
23 small commercial customers by utility service territory during
24 the preceding year via the filing of an affidavit with the
25 Commission so long as the affidavit meets the requirements of
26 this subsection (i). The affidavit must be filed

1 contemporaneously with the information for which confidential
2 treatment is sought and must clearly state that the affiant
3 seeks confidential treatment pursuant to this subsection (i)
4 and the information for which confidential treatment is sought
5 must be clearly identified on the confidential version of the
6 document filed with the Commission. The affidavit must be
7 accompanied by both a "confidential" and a "public" version of
8 the document or documents containing the information for which
9 confidential treatment is sought.

10 If the alternative gas supplier has met the affidavit
11 requirements of this subsection (i), then the Commission shall
12 afford confidential treatment to the information identified in
13 the affidavit for a period of 2 years after the date the
14 affidavit is received by the Commission.

15 Nothing in this subsection (i) prevents an alternative gas
16 supplier from filing a petition with the Commission seeking
17 confidential treatment for information beyond that identified
18 in this subsection (i) or for information contained in other
19 reports or documents filed with the Commission.

20 Nothing in this subsection (i) prevents the Commission, on
21 its own motion, or any party from filing a formal petition with
22 the Commission seeking to reconsider the conferring of
23 confidential status pursuant to this subsection (i).

24 The Commission, on its own motion, may at any time
25 initiate a docketed proceeding to investigate the continued
26 applicability of this affidavit-based process for seeking

1 confidential treatment. If, at the end of such investigation,
2 the Commission determines that this affidavit-based process
3 for seeking confidential treatment for the information is no
4 longer necessary, the Commission may enter an order to that
5 effect. Notwithstanding any such order, in the event the
6 Commission makes such a determination, nothing in this
7 subsection (i) prevents an alternative gas supplier desiring
8 confidential treatment for such information from filing a
9 formal petition with the Commission seeking confidential
10 treatment for such information.

11 (Source: P.A. 101-590, eff. 1-1-20.)

12 (220 ILCS 5/19-145)

13 Sec. 19-145. Automatic adjustment clause tariff;
14 uncollectibles.

15 (a) A gas utility shall be permitted, at its election, to
16 recover through an automatic adjustment clause tariff the
17 incremental difference between its actual uncollectible amount
18 as set forth in Account 904 in the utility's most recent annual
19 Form 21 ILCC and the uncollectible amount included in the
20 utility's rates for the period reported in such annual Form 21
21 ILCC. The Commission may, in a proceeding to review a general
22 rate case filed subsequent to the effective date of the tariff
23 established under this Section, prospectively switch, from
24 using the actual uncollectible amount set forth in Account 904
25 to using net write-offs in such tariff, but only if net

1 write-offs are also used to determine the utility's
2 uncollectible amount in rates. In the event the Commission
3 requires such a change, it shall be made effective at the
4 beginning of the first full calendar year after the new rates
5 approved in such proceeding are first placed in effect and an
6 adjustment shall be made, if necessary, to ensure the change
7 does not result in double-recovery or unrecovered
8 uncollectible amounts for any year. For purposes of this
9 Section, "uncollectible amount" means the expense set forth in
10 Account 904 of the utility's Form 21 ILCC or cost of net
11 write-offs as appropriate. In the event the utility's rates
12 change during the period of time reported in its most recent
13 annual Form 21 ILCC, the uncollectible amount included in the
14 utility's rates during such period of time for purposes of
15 this Section will be a weighted average, based on revenues
16 earned during such period by the utility under each set of
17 rates, of the uncollectible amount included in the utility's
18 rates at the beginning of such period and at the end of such
19 period. This difference may either be a charge or a credit to
20 customers depending on whether the uncollectible amount is
21 more or less than the uncollectible amount then included in
22 the utility's rates.

23 (b) The tariff may be established outside the context of a
24 general rate case filing, and shall specify the terms of any
25 applicable audit. The Commission shall review and by order
26 approve, or approve as modified, the proposed tariff within

1 180 days after the date on which it is filed. Charges and
2 credits under the tariff shall be allocated to the appropriate
3 customer class or classes. In addition, customers who do not
4 purchase their gas supply from a gas utility shall not be
5 charged by the utility for uncollectible amounts associated
6 with gas supply provided by the utility to the utility's
7 customers. Upon approval of the tariff, the utility shall,
8 based on the 2008 Form 21 ILCC, apply the appropriate credit or
9 charge based on the full year 2008 amounts for the remainder of
10 the 2010 calendar year. Starting with the 2009 Form 21 ILCC
11 reporting period and each subsequent period, the utility shall
12 apply the appropriate credit or charge over a 12-month period
13 beginning with the June billing period and ending with the May
14 billing period, with the first such billing period beginning
15 June 2010.

16 (c) The approved tariff shall provide that the utility
17 shall file a petition with the Commission annually, no later
18 than August 31st, seeking initiation of an annual review to
19 reconcile all amounts collected with the actual uncollectible
20 amount in the prior period. As part of its review, the
21 Commission shall verify that the utility collects no more and
22 no less than its actual uncollectible amount in each
23 applicable Form 21 ILCC reporting period, and that the utility
24 has demonstrated actions to make its rates more affordable,
25 minimize disconnections, and therefore preserve the
26 availability of utility services to all customers, consistent

1 with item (viii) of subsection (d) of Section 1-102. The
2 Commission shall review the prudence and reasonableness of the
3 utility's actions to pursue minimization and collection of
4 uncollectibles and preserve the availability of utility
5 services to all customers, which shall include, at a minimum,
6 the 6 enumerated criteria set forth in this Section. The
7 Commission shall determine any required adjustments and may
8 include suggestions for prospective changes in current
9 practices. ~~Nothing in this Section or the implementing tariffs~~
10 ~~shall affect or alter the gas utility's existing obligation to~~
11 ~~pursue collection of uncollectibles or the gas utility's right~~
12 ~~to disconnect service.~~ A utility that has in effect a tariff
13 authorized by this Section shall pursue minimization of and
14 collection of uncollectibles through the following activities,
15 including but not limited to:

16 (1) contacting the customers in an effort to obtain
17 payment;

18 (2) providing delinquent customers with information
19 about possible options, including payment plans and
20 assistance programs, and how to reach agencies and
21 community-based organizations that provide assistance;

22 (3) specific action to limit disconnections in zip
23 code areas that would otherwise be disproportionately
24 impacted by the utility's credit and collection policies;

25 (4) community outreach in areas demonstrating higher
26 than average arrearages to help inform customers about

1 available assistance programs;

2 (5) providing bill payment assistance funds in an
3 amount that equals 50% of its total uncollectibles for
4 calendar year 2019, the funding of which shall be
5 recovered through the automatic adjustment clause that is
6 the subject of this subsection;

7 (6) demonstrating that the bill payment assistance
8 funds reduced the number of disconnections in the
9 reconciliation year;

10 (7) the offering of a Commission-approved discount
11 rate tariff pursuant to Section 9-241, tiered by income
12 level, for customers whose income falls at or below 80% of
13 area median income; and

14 (8) an arrearage reduction program for low income
15 discount rate customers that eliminates customer
16 arrears in ratable proportion for each month that plan
17 participants timely pay their utility bill.

18 ~~(1) identifying customers with late payments;~~

19 ~~(2) contacting the customers in an effort to obtain~~
20 ~~payment;~~

21 ~~(3) providing delinquent customers with information~~
22 ~~about possible options, including payment plans and~~
23 ~~assistance programs;~~

24 ~~(4) serving disconnection notices;~~

25 ~~(5) implementing disconnections based on the level of~~
26 ~~uncollectibles; and~~

1 ~~(6) pursuing collection activities based on the level~~
2 ~~of uncollectibles.~~

3 (d) Nothing in this Section shall be construed to require
4 a utility to immediately disconnect service for nonpayment.
5 (Source: P.A. 96-33, eff. 7-10-09.)

6 Section 30-41. The Citizens Utility Board Act is amended
7 by changing Sections 3, 5, and 13 as follows:

8 (220 ILCS 10/3) (from Ch. 111 2/3, par. 903)

9 Sec. 3. Definitions. As used in this Act:

10 "Affiliated organization" means any Illinois nonprofit
11 organization that has a formal association with the
12 corporation, as demonstrated by such factors such as use of
13 the corporation name or receipt of a gift, grant or donation
14 from the corporation.

15 ~~(1)~~"Board" means the board of directors of the
16 corporation.

17 ~~(2)~~"Campaign contribution" means a gift, subscription,
18 loan, advance or deposit of money or anything of value, made
19 for the purpose of electing a candidate to the board; or a
20 contract, a promise or agreement, express or implied, whether
21 or not legally enforceable, to make any campaign contribution;
22 but does not include the value of services provided without
23 compensation by individuals who volunteer a portion or all of
24 their time on behalf of a candidate or political committee, or

1 the use of real or personal property and the cost of
2 invitations, food and beverages, voluntarily provided by an
3 individual to a candidate in rendering voluntary personal
4 services on the individual's residential premises for
5 candidate-related activities if the cumulative value of the
6 activities to the individual on behalf of any candidate does
7 not exceed \$100 for any election.

8 ~~(3)~~"Campaign expenditures" means a purchase, payment
9 distribution, loan, advance, deposit or gift of money or
10 anything of value, made for the purpose of electing a
11 candidate to the board; or a contract, promise, or agreement,
12 express or implied, whether or not legally enforceable, to
13 make any campaign expenditure; but does not include the use of
14 real or personal property and the cost of invitations, food
15 and beverages, voluntarily provided by an individual to a
16 candidate in rendering voluntary personal services on the
17 individual's residential premises for candidate-related
18 activities if the cumulative value of the activities by the
19 individual on behalf of any candidate does not exceed \$100 for
20 any election.

21 ~~(4)~~"Class A utility" means any gas, electric or water
22 public utility with annual total gross operating revenues of
23 \$2.5 million or more or any telephone public utility with
24 annual total gross operating revenues of \$1,600,000 or more on
25 the effective date of this Act.

26 ~~(5)~~"Corporation" means the citizens utility board.

1 ~~(6)~~"Director" means any member of the board.

2 ~~(7)~~"District" means a corporation district, the boundaries
3 of which are congruent with the boundaries of the
4 Congressional districts in the State.

5 ~~(8)~~"Immediate family" of a person means the person's
6 spouse and legal dependents.

7 ~~(9)~~"Member" means any person who satisfies the
8 requirements for membership under Section 4.

9 ~~(10)~~"Periodic customer billing" means a demand for payment
10 for utility services by a public utility to a residential
11 utility consumer on a monthly or other regular basis.

12 ~~(11)~~"Political committee" means any committee, club,
13 association or other group of persons which make campaign
14 expenditures or receive campaign contributions during the year
15 before an election of the board.

16 ~~(12)~~"Public utility" means any person who owns, operates,
17 manages or controls any plant or equipment or any part of a
18 plant or equipment, within the State, for the conveyance of
19 telephone messages or for the production, transmission,
20 delivery or furnishing of heat, light, water or power either
21 directly or indirectly to or for the public. "Public utility"
22 includes any person engaged in the transmission or delivery of
23 natural gas for compensation within this State by means of
24 pipes or mains. "Public utility" does not include a
25 cooperative association organized for the purpose of
26 furnishing telephone service to its members only. "Public

1 utility" does not include electric cooperatives as defined in
2 Section 3-119 of the Public Utilities Act. However, "public
3 utility" does not include either public utilities that are
4 owned and operated by a political subdivision, public
5 institution of higher education or municipal corporation of
6 this State or public utilities that are owned by such
7 political subdivision, public institution of higher education,
8 or municipal corporation and operated by any of its lessees or
9 operating agents.

10 ~~(13)~~"Utility consumer" means any individual or entity,
11 which is not governmental or a public utility, which is
12 located in this State and which is furnished with a utility
13 service by a public utility.

14 ~~(14)~~"Utility service" means electricity, natural gas,
15 water and telephone service supplied by a public utility.

16 (Source: P.A. 91-357, eff. 7-29-99.)

17 (220 ILCS 10/5) (from Ch. 111 2/3, par. 905)

18 Sec. 5. Powers and duties.

19 (1) The corporation shall:

20 (a) Represent and protect the interests of the
21 residential utility consumers of this State. All actions
22 by the corporation under this Act shall be directed toward
23 such duty; provided that the corporation may also give due
24 consideration to the interests of business in the State.

25 (b) Inform, in so far as possible, all utility

1 consumers about the corporation, including the procedure
2 for obtaining membership in the corporation.

3 (2) The corporation shall have all the powers necessary or
4 convenient for the effective representation and protection of
5 the interest of utility consumers and to implement this Act,
6 including the following powers in addition to all other powers
7 granted by this Act.

8 (a) To make, amend and repeal bylaws and rules for the
9 regulation of its affairs and the conduct of its business;
10 to adopt an official seal and alter it at pleasure; to
11 maintain an office; to sue and be sued in its own name,
12 plead and be impleaded; and to make and execute contracts
13 and other instruments necessary or convenient to the
14 exercise of the powers of the corporation.

15 (b) To employ such agents, employees and special
16 advisors as it finds necessary and to fix their
17 compensation.

18 (c) To solicit and accept gifts, loans, including
19 loans made by the Illinois Commerce Commission from funds
20 appropriated for that purpose by law, or other aid in
21 order to support activities concerning the interests of
22 utility consumers. Except as provided in Section 5.1, the
23 corporation may not accept gifts, loans or other aid from
24 any public utility or from any director, employee or agent
25 or member of the immediate family of a director, employee
26 or agent of any public utility, or from any foundation or

1 nonprofit organization established by or affiliated with a
2 public utility and, after the first election the
3 corporation, may not accept from any individual, private
4 corporation, association or partnership in any single year
5 a total of more than \$1,000 in gifts. Under this
6 paragraph, "aid" does not mean payment of membership dues.

7 (d) To intervene as a party or otherwise participate
8 on behalf of utility consumers in any proceeding which
9 affects the interest of utility consumers.

10 (e) To represent the interests of utility consumers
11 before the Illinois Commerce Commission, the Federal
12 Energy Regulatory Commission, the Federal Communications
13 Commission, the courts, and other public bodies, except
14 that no director, employee or agent of the corporation may
15 engage in lobbying without first complying with any
16 applicable statute, administrative rule or other
17 regulation relating to lobbying.

18 (f) To establish annual dues which shall be set at a
19 level that provides sufficient funding for the corporation
20 to effectively perform its powers and duties, and is
21 affordable for as many utility consumers as is possible.

22 (g) To implement solicitation for corporation funding
23 and membership.

24 (h) To seek tax exempt status under State and federal
25 law, including 501(c)(3) status under the United States
26 Internal Revenue Code.

1 (i) To provide information and advice to utility
2 consumers on any matter with respect to utility service,
3 including but not limited to information and advice on
4 benefits and methods of energy conservation.

5 (3) The powers, duties, rights and privileges conferred or
6 imposed upon the corporation by this Act may not be
7 transferred.

8 (4) The corporation shall refrain from interfering with
9 collective bargaining rights of any employees of a public
10 utility.

11 (Source: P.A. 91-50, eff. 6-30-99.)

12 (220 ILCS 10/13) (from Ch. 111 2/3, par. 913)

13 Sec. 13. Public records. Statements filed with the
14 corporation shall be available for public inspection at the
15 office of the corporation during reasonable hours of the day.
16 With regard to the records described in this Section, a
17 corporation and any affiliated organizations are considered
18 public bodies subject to the provisions of the Freedom of
19 Information Act. ~~Such records may be copied. The corporation~~
20 ~~may charge a reasonable fee for the cost of such copies.~~

21 (Source: P.A. 83-945.)

22 Section 30-45. The Energy Assistance Act is amended by
23 changing Sections 6, 13, and 18 and by adding Section 20 as
24 follows:

1 (305 ILCS 20/6) (from Ch. 111 2/3, par. 1406)

2 Sec. 6. Eligibility, Conditions of Participation, and
3 Energy Assistance.

4 (a) Any person who is a resident of the State of Illinois
5 and whose household income is not greater than an amount
6 determined annually by the Department, in consultation with
7 the Policy Advisory Council, may apply for assistance pursuant
8 to this Act in accordance with regulations promulgated by the
9 Department. In setting the annual eligibility level, the
10 Department shall consider the amount of available funding and
11 may not set a limit higher than 150% of the federal nonfarm
12 poverty level as established by the federal Office of
13 Management and Budget or 60% of the State median income for the
14 current State fiscal year as established by the U.S.
15 Department of Health and Human Services; except that for the
16 period from the effective date of this amendatory Act of the
17 101st General Assembly through June 30, 2021, the Department
18 may establish limits not higher than 200% of that poverty
19 level. The Department, in consultation with the Policy
20 Advisory Council, may adjust the percentage of poverty level
21 annually in accordance with federal guidelines and based on
22 funding availability.

23 (b) Applicants who qualify for assistance pursuant to
24 subsection (a) of this Section shall, subject to appropriation
25 from the General Assembly and subject to availability of funds

1 to the Department, receive energy assistance as provided by
2 this Act. The Department, upon receipt of monies authorized
3 pursuant to this Act for energy assistance, shall commit funds
4 for each qualified applicant in an amount determined by the
5 Department. In determining the amounts of assistance to be
6 provided to or on behalf of a qualified applicant, the
7 Department shall ensure that the highest amounts of assistance
8 go to households with the greatest energy costs in relation to
9 household income. The Department shall include factors such as
10 energy costs, household size, household income, and region of
11 the State when determining individual household benefits. In
12 setting assistance levels, the Department shall attempt to
13 provide assistance to approximately the same number of
14 households who participated in the 1991 Residential Energy
15 Assistance Partnership Program. Such assistance levels shall
16 be adjusted annually on the basis of funding availability and
17 energy costs. In promulgating rules for the administration of
18 this Section the Department shall assure that a minimum of 1/3
19 of funds available for benefits to eligible households with
20 the lowest incomes and that elderly households, households
21 with children under the age of 6 years old, and households with
22 persons with disabilities are offered a priority application
23 period.

24 (c) If the applicant is not a customer of record of an
25 energy provider for energy services or an applicant for such
26 service, such applicant shall receive a direct energy

1 assistance payment in an amount established by the Department
2 for all such applicants under this Act; provided, however,
3 that such an applicant must have rental expenses for housing
4 greater than 30% of household income.

5 (c-1) This subsection shall apply only in cases where: (1)
6 the applicant is not a customer of record of an energy provider
7 because energy services are provided by the owner of the unit
8 as a portion of the rent; (2) the applicant resides in housing
9 subsidized or developed with funds provided under the Rental
10 Housing Support Program Act or under a similar locally funded
11 rent subsidy program, or is the voucher holder who resides in a
12 rental unit within the State of Illinois and whose monthly
13 rent is subsidized by the tenant-based Housing Choice Voucher
14 Program under Section 8 of the U.S. Housing Act of 1937; and
15 (3) the rental expenses for housing are no more than 30% of
16 household income. In such cases, the household may apply for
17 an energy assistance payment under this Act and the owner of
18 the housing unit shall cooperate with the applicant by
19 providing documentation of the energy costs for that unit. Any
20 compensation paid to the energy provider who supplied energy
21 services to the household shall be paid on behalf of the owner
22 of the housing unit providing energy services to the
23 household. The Department shall report annually to the General
24 Assembly on the number of households receiving energy
25 assistance under this subsection and the cost of such
26 assistance. The provisions of this subsection (c-1), other

1 than this sentence, are inoperative after August 31, 2012.

2 (d) If the applicant is a customer of an energy provider,
3 such applicant shall receive energy assistance in an amount
4 established by the Department for all such applicants under
5 this Act, such amount to be paid by the Department to the
6 energy provider supplying winter energy service to such
7 applicant. Such applicant shall:

8 (i) make all reasonable efforts to apply to any other
9 appropriate source of public energy assistance; and

10 (ii) sign a waiver permitting the Department to
11 receive income information from any public or private
12 agency providing income or energy assistance and from any
13 employer, whether public or private.

14 (e) Any qualified applicant pursuant to this Section may
15 receive or have paid on such applicant's behalf an emergency
16 assistance payment to enable such applicant to obtain access
17 to winter energy services. Any such payments shall be made in
18 accordance with regulations of the Department.

19 (f) The Department may, if sufficient funds are available,
20 provide additional benefits to certain qualified applicants:

21 (i) for the reduction of past due amounts owed to
22 energy providers; and

23 (ii) to assist the household in responding to
24 excessively high summer temperatures or energy costs.
25 Households containing elderly members, children, a person
26 with a disability, or a person with a medical need for

1 conditioned air shall receive priority for receipt of such
2 benefits.

3 (Source: P.A. 101-636, eff. 6-10-20.)

4 (305 ILCS 20/13)

5 (Section scheduled to be repealed on January 1, 2025)

6 Sec. 13. Supplemental Low-Income Energy Assistance Fund.

7 (a) The Supplemental Low-Income Energy Assistance Fund is
8 hereby created as a special fund in the State Treasury. The
9 Supplemental Low-Income Energy Assistance Fund is authorized
10 to receive moneys from voluntary donations from individuals,
11 foundations, corporations, and other sources, moneys received
12 pursuant to Section 17, and, by statutory deposit, the moneys
13 collected pursuant to this Section. The Fund is also
14 authorized to receive voluntary donations from individuals,
15 foundations, corporations, and other sources. Subject to
16 appropriation, the Department shall use moneys from the
17 Supplemental Low-Income Energy Assistance Fund for payments to
18 electric or gas public utilities, municipal electric or gas
19 utilities, and electric cooperatives on behalf of their
20 customers who are participants in the program authorized by
21 Sections 4 and 18 of this Act, for the provision of
22 weatherization services and for administration of the
23 Supplemental Low-Income Energy Assistance Fund. All other
24 deposits, except for the Energy Assistance Charge in
25 subsection (b), are not subject to the percentage restrictions

1 related to administrative and weatherization expenses provided
2 in this subsection. The yearly expenditures for weatherization
3 may not exceed 10% of the amount collected during the year
4 pursuant to this Section, except when unspent funds from the
5 Supplemental Low-Income Energy Assistance Fund are reallocated
6 from a previous year; any unspent balance of the 10%
7 weatherization allowance may be utilized for weatherization
8 expenses in the year they are reallocated. The yearly
9 administrative expenses of the Supplemental Low-Income Energy
10 Assistance Fund may not exceed 13% ~~10%~~ of the amount collected
11 during that year pursuant to this Section, except when unspent
12 funds from the Supplemental Low-Income Energy Assistance Fund
13 are reallocated from a previous year; any unspent balance of
14 the 13% ~~10%~~ administrative allowance may be utilized for
15 administrative expenses in the year they are reallocated. Of
16 the 13% administrative allowance, no less than 8% shall be
17 provided to Local Administrative Agencies for administrative
18 expenses.

19 (b) Notwithstanding the provisions of Section 16-111 of
20 the Public Utilities Act but subject to subsection (k) of this
21 Section, each public utility, electric cooperative, as defined
22 in Section 3.4 of the Electric Supplier Act, and municipal
23 utility, as referenced in Section 3-105 of the Public
24 Utilities Act, that is engaged in the delivery of electricity
25 or the distribution of natural gas within the State of
26 Illinois shall, effective January 1, 2022 ~~effective January 1,~~

1 ~~1998~~, assess each of its customer accounts a monthly Energy
2 Assistance Charge for the Supplemental Low-Income Energy
3 Assistance Fund. The delivering public utility, municipal
4 electric or gas utility, or electric or gas cooperative for a
5 self-assessing purchaser remains subject to the collection of
6 the fee imposed by this Section. The monthly charge shall be as
7 follows:

8 (1) Base Energy Assistance Charge per month on each
9 account for residential electrical service;

10 (2) Base Energy Assistance Charge per month on each
11 account for residential gas service;

12 (3) Ten times the Base Energy Assistance Charge per
13 month on each account for nonresidential electric service
14 which had less than 10 megawatts of peak demand during the
15 previous calendar year;

16 (4) Ten times the Base Energy Assistance Charge per
17 month on each account for nonresidential gas service which
18 had distributed to it less than 4,000,000 therms of gas
19 during the previous calendar year;

20 (5) Three hundred and seventy-five times the Base
21 Energy Assistance Charge per month on each account for
22 nonresidential electric service which had 10 megawatts or
23 greater of peak demand during the previous calendar year;
24 and

25 (6) Three hundred and seventy-five times the Base
26 Energy Assistance Charge per month on each account for

1 nonresidential gas service which had 4,000,000 or more
2 therms of gas distributed to it during the previous
3 calendar year.

4 The Base Energy Assistance Charge shall be \$0.48 per month
5 for the calendar year beginning January 1, 2022 and shall
6 increase by \$0.16 per month for any calendar year, provided no
7 less than 80% of the previous State fiscal year's available
8 Supplemental Low-Income Energy Assistance Fund funding was
9 exhausted. The maximum Base Energy Assistance Charge shall not
10 exceed \$0.96 per month for any calendar year.

11 ~~(1) \$0.48 per month on each account for residential~~
12 ~~electric service;~~

13 ~~(2) \$0.48 per month on each account for residential~~
14 ~~gas service;~~

15 ~~(3) \$4.80 per month on each account for~~
16 ~~non-residential electric service which had less than 10~~
17 ~~megawatts of peak demand during the previous calendar~~
18 ~~year;~~

19 ~~(4) \$4.80 per month on each account for~~
20 ~~non-residential gas service which had distributed to it~~
21 ~~less than 4,000,000 therms of gas during the previous~~
22 ~~calendar year;~~

23 ~~(5) \$360 per month on each account for non-residential~~
24 ~~electric service which had 10 megawatts or greater of peak~~
25 ~~demand during the previous calendar year; and~~

26 ~~(6) \$360 per month on each account for non-residential~~

1 ~~gas service which had 4,000,000 or more therms of gas~~
2 ~~distributed to it during the previous calendar year.~~

3 The incremental change to such charges imposed by Public
4 Act 99-933 and this amendatory Act of the 102nd General
5 Assembly ~~this amendatory Act of the 96th General Assembly~~
6 shall not (i) be used for any purpose other than to directly
7 assist customers and (ii) be applicable to utilities serving
8 less than 25,000 ~~100,000~~ customers in Illinois on January 1,
9 2021 ~~2009~~. The incremental change to such charges imposed by
10 this amendatory Act of the 102nd General Assembly are intended
11 to increase utilization of the Percentage of Income Payment
12 Plan (PIPP or PIP Plan) and shall be applied such that PIP Plan
13 enrollment is at least doubled, as compared to 2020
14 enrollment, by 2024.

15 In addition, electric and gas utilities have committed,
16 and shall contribute, a one-time payment of \$22 million to the
17 Fund, within 10 days after the effective date of the tariffs
18 established pursuant to Sections 16-111.8 and 19-145 of the
19 Public Utilities Act to be used for the Department's cost of
20 implementing the programs described in Section 18 of this
21 amendatory Act of the 96th General Assembly, the Arrearage
22 Reduction Program described in Section 18, and the programs
23 described in Section 8-105 of the Public Utilities Act. If a
24 utility elects not to file a rider within 90 days after the
25 effective date of this amendatory Act of the 96th General
26 Assembly, then the contribution from such utility shall be

1 made no later than February 1, 2010.

2 (c) For purposes of this Section:

3 (1) "residential electric service" means electric
4 utility service for household purposes delivered to a
5 dwelling of 2 or fewer units which is billed under a
6 residential rate, or electric utility service for
7 household purposes delivered to a dwelling unit or units
8 which is billed under a residential rate and is registered
9 by a separate meter for each dwelling unit;

10 (2) "residential gas service" means gas utility
11 service for household purposes distributed to a dwelling
12 of 2 or fewer units which is billed under a residential
13 rate, or gas utility service for household purposes
14 distributed to a dwelling unit or units which is billed
15 under a residential rate and is registered by a separate
16 meter for each dwelling unit;

17 (3) "non-residential electric service" means electric
18 utility service which is not residential electric service;
19 and

20 (4) "non-residential gas service" means gas utility
21 service which is not residential gas service.

22 (d) Within 30 days after the effective date of this
23 amendatory Act of the 96th General Assembly, each public
24 utility engaged in the delivery of electricity or the
25 distribution of natural gas shall file with the Illinois
26 Commerce Commission tariffs incorporating the Energy

1 Assistance Charge in other charges stated in such tariffs,
2 which shall become effective no later than the beginning of
3 the first billing cycle following such filing.

4 (e) The Energy Assistance Charge assessed by electric and
5 gas public utilities shall be considered a charge for public
6 utility service.

7 (f) By the 20th day of the month following the month in
8 which the charges imposed by the Section were collected, each
9 public utility, municipal utility, and electric cooperative
10 shall remit to the Department of Revenue all moneys received
11 as payment of the Energy Assistance Charge on a return
12 prescribed and furnished by the Department of Revenue showing
13 such information as the Department of Revenue may reasonably
14 require; provided, however, that a utility offering an
15 Arrearage Reduction Program or Supplemental Arrearage
16 Reduction Program pursuant to Section 18 of this Act shall be
17 entitled to net those amounts necessary to fund and recover
18 the costs of such Programs as authorized by that Section that
19 is no more than the incremental change in such Energy
20 Assistance Charge authorized by Public Act 96-33. If a
21 customer makes a partial payment, a public utility, municipal
22 utility, or electric cooperative may elect either: (i) to
23 apply such partial payments first to amounts owed to the
24 utility or cooperative for its services and then to payment
25 for the Energy Assistance Charge or (ii) to apply such partial
26 payments on a pro-rata basis between amounts owed to the

1 utility or cooperative for its services and to payment for the
2 Energy Assistance Charge.

3 If any payment provided for in this Section exceeds the
4 distributor's liabilities under this Act, as shown on an
5 original return, the Department may authorize the distributor
6 to credit such excess payment against liability subsequently
7 to be remitted to the Department under this Act, in accordance
8 with reasonable rules adopted by the Department. If the
9 Department subsequently determines that all or any part of the
10 credit taken was not actually due to the distributor, the
11 distributor's discount shall be reduced by an amount equal to
12 the difference between the discount as applied to the credit
13 taken and that actually due, and that distributor shall be
14 liable for penalties and interest on such difference.

15 (g) The Department of Revenue shall deposit into the
16 Supplemental Low-Income Energy Assistance Fund all moneys
17 remitted to it in accordance with subsection (f) of this
18 Section. ~~; provided, however, that the amounts remitted by~~
19 ~~each utility shall be used to provide assistance to that~~
20 ~~utility's customers.~~ The utilities shall coordinate with the
21 Department to establish an equitable and practical methodology
22 for implementing this subsection (g) beginning with the 2010
23 program year.

24 (h) On or before December 31, 2002, the Department shall
25 prepare a report for the General Assembly on the expenditure
26 of funds appropriated from the Low-Income Energy Assistance

1 Block Grant Fund for the program authorized under Section 4 of
2 this Act.

3 (i) The Department of Revenue may establish such rules as
4 it deems necessary to implement this Section.

5 (j) The Department of Commerce and Economic Opportunity
6 may establish such rules as it deems necessary to implement
7 this Section.

8 (k) The charges imposed by this Section shall only apply
9 to customers of municipal electric or gas utilities and
10 electric or gas cooperatives if the municipal electric or gas
11 utility or electric or gas cooperative makes an affirmative
12 decision to impose the charge. If a municipal electric or gas
13 utility or an electric cooperative makes an affirmative
14 decision to impose the charge provided by this Section, the
15 municipal electric or gas utility or electric cooperative
16 shall inform the Department of Revenue in writing of such
17 decision when it begins to impose the charge. If a municipal
18 electric or gas utility or electric or gas cooperative does
19 not assess this charge, the Department may not use funds from
20 the Supplemental Low-Income Energy Assistance Fund to provide
21 benefits to its customers under the program authorized by
22 Section 4 of this Act.

23 In its use of federal funds under this Act, the Department
24 may not cause a disproportionate share of those federal funds
25 to benefit customers of systems which do not assess the charge
26 provided by this Section.

1 This Section is repealed on January 1, 2025 unless renewed
2 by action of the General Assembly.

3 (Source: P.A. 99-457, eff. 1-1-16; 99-906, eff. 6-1-17;
4 99-933, eff. 1-27-17; 100-863, eff. 8-14-18; 100-1171, eff.
5 1-4-19.)

6 (305 ILCS 20/18)

7 Sec. 18. Financial assistance; payment plans.

8 (a) The Percentage of Income Payment Plan (PIPP or PIP
9 Plan) is hereby created as a mandatory bill payment assistance
10 program for low-income residential customers of utilities
11 serving more than 100,000 ~~100,000~~ retail customers as of
12 January 1, 2021 ~~2009~~. The PIP Plan will:

13 (1) bring participants' gas and electric bills into
14 the range of affordability;

15 (2) provide incentives for participants to make timely
16 payments;

17 (3) encourage participants to reduce usage and
18 participate in conservation and energy efficiency measures
19 that reduce the customer's bill and payment requirements;
20 ~~and~~

21 (4) identify participants whose homes are most in need
22 of weatherization; and ~~and~~

23 (5) endeavor to maximize participation and spend at
24 least 80% of the funding available for the year.

25 (b) For purposes of this Section:

1 (1) "LIHEAP" means the energy assistance program
2 established under the Illinois Energy Assistance Act and
3 the Low-Income Home Energy Assistance Act of 1981.

4 (2) "Plan participant" is an eligible participant who
5 is also eligible for the PIPP and who will receive either a
6 percentage of income payment credit under the PIPP
7 criteria set forth in this Act or a benefit pursuant to
8 Section 4 of this Act. Plan participants are a subset of
9 eligible participants.

10 (3) "Pre-program arrears" means the amount a plan
11 participant owes for gas or electric service at the time
12 the participant is determined to be eligible for the PIPP
13 or the program set forth in Section 4 of this Act.

14 (4) "Eligible participant" means any person who has
15 applied for, been accepted and is receiving residential
16 service from a gas or electric utility and who is also
17 eligible for LIHEAP or otherwise satisfies the eligibility
18 criteria set forth in paragraph (1) of subsection (c).

19 (c) The PIP Plan shall be administered as follows:

20 (1) The Department shall coordinate with Local
21 Administrative Agencies (LAAs), to determine eligibility
22 for the Illinois Low Income Home Energy Assistance Program
23 (LIHEAP) pursuant to the Energy Assistance Act, provided
24 that eligible income shall be no more than 150% of the
25 poverty level or 60% of the State median income, except
26 that for the period from the effective date of this

1 amendatory Act of the 101st General Assembly through June
2 30, 2021, eligible income shall be no more than 200% of the
3 poverty level. Applicants will be screened to determine
4 whether the applicant's projected payments for electric
5 service or natural gas service over a 12-month period
6 exceed the criteria established in this Section. The
7 Department, in consultation with the Policy Advisory
8 Council, may adjust the percentage of poverty level
9 annually to determine income eligibility. To maintain the
10 financial integrity of the program, the Department may
11 limit eligibility to households with income below 125% of
12 the poverty level.

13 (2) The Department shall establish the percentage of
14 income formula to determine the amount of a monthly credit
15 for participants with eligible income based on poverty
16 level. ~~, not to exceed \$150 per month per household, not to~~
17 ~~exceed \$1,800 annually; however, for the period from the~~
18 ~~effective date of this amendatory Act of the 101st General~~
19 ~~Assembly through June 30, 2021, the monthly credit for~~
20 ~~participants with eligible income over 100% of the poverty~~
21 ~~level may be as much as \$200 per month per household, not~~
22 ~~to exceed \$2,400 annually, and, the monthly credit for~~
23 ~~participants with eligible income 100% or less of the~~
24 ~~poverty level may be as much as \$250 per month per~~
25 ~~household, not to exceed \$3,000 annually.~~ Credits will be
26 applied to PIP Plan participants' utility bills based on

1 the portion of the bill that is the responsibility of the
2 participant provided that the percentage shall be no more
3 than a total of 6% of the relevant income for gas and
4 electric utility bills combined, but in any event no less
5 than \$10 per month, unless the household does not pay
6 directly for heat, in which case its payment shall be 2.4%
7 of income but in any event no less than \$5 per month. The
8 Department, in consultation with the Policy Advisory
9 Council, may adjust such monthly credit amounts annually
10 and may establish a minimum credit amount based on the
11 cost of administering the program and may deny credits to
12 otherwise eligible participants if the cost of
13 administering the credit exceeds the actual amount of any
14 monthly credit to a participant. If the participant takes
15 both gas and electric service, 50% ~~66.67%~~ of the credit
16 shall be allocated to the entity that provides the
17 participant's primary energy supply for heating. Each
18 participant shall enter into a levelized payment plan for,
19 as applicable, gas and electric service and such plans
20 shall be implemented by the utility so that a
21 participant's usage and required payments are reviewed and
22 adjusted regularly, but no more frequently than quarterly.
23 Nothing in this Section is intended to prohibit a
24 customer, who is otherwise eligible for LIHEAP, from
25 participating in the program described in Section 4 of
26 this Act. Eligible participants who receive such a benefit

1 shall be considered plan participants and shall be
2 eligible to participate in the Arrearage Reduction Program
3 described in item (5) of this subsection (c).

4 (3) The Department shall remit, through the LAAs, to
5 the utility or participating alternative supplier that
6 portion of the plan participant's bill that is not the
7 responsibility of the participant. In the event that the
8 Department fails to timely remit payment to the utility,
9 the utility shall be entitled to recover all costs related
10 to such nonpayment through the automatic adjustment clause
11 tariffs established pursuant to Section 16-111.8 and
12 Section 19-145 of the Public Utilities Act. For purposes
13 of this item (3) of this subsection (c), payment is due on
14 the date specified on the participant's bill. The
15 Department, the Department of Revenue and LAAs shall adopt
16 processes that provide for the timely payment required by
17 this item (3) of this subsection (c).

18 (4) A plan participant is responsible for all actual
19 charges for utility service in excess of the PIPP credit.
20 Pre-program arrears that are included in the Arrearage
21 Reduction Program described in item (5) of this subsection
22 (c) shall not be included in the calculation of the
23 levelized payment plan. Emergency or crisis assistance
24 payments shall not affect the amount of any PIPP credit to
25 which a participant is entitled.

26 (5) Electric and gas utilities subject to this Section

1 shall implement an Arrearage Reduction Program (ARP) for
2 plan participants as follows: for each month that a plan
3 participant timely pays his or her utility bill, the
4 utility shall apply a credit to a portion of the
5 participant's pre-program arrears, if any, equal to
6 one-twelfth of such arrearage provided that the total
7 amount of arrearage credits shall equal no more than
8 \$1,000 annually for each participant for gas and no more
9 than \$1,000 annually for each participant for electricity.
10 In the third year of the PIPP, the Department, in
11 consultation with the Policy Advisory Council established
12 pursuant to Section 5 of this Act, shall determine by rule
13 an appropriate per participant total cap on such amounts,
14 if any. Those plan participants participating in the ARP
15 shall not be subject to the imposition of any additional
16 late payment fees on pre-program arrears covered by the
17 ARP. In all other respects, the utility shall bill and
18 collect the monthly bill of a plan participant pursuant to
19 the same rules, regulations, programs and policies as
20 applicable to residential customers generally.
21 Participation in the Arrearage Reduction Program shall be
22 limited to the maximum amount of funds available as set
23 forth in subsection (f) of Section 13 of this Act. In the
24 event any donated funds under Section 13 of this Act are
25 specifically designated for the purpose of funding the
26 ARP, the Department shall remit such amounts to the

1 utilities upon verification that such funds are needed to
2 fund the ARP. Nothing in this Section shall preclude a
3 utility from continuing to implement, and apply credits
4 under, an ARP in the event that the PIPP or LIHEAP is
5 suspended due to lack of funding such that the plan
6 participant does not receive a benefit under either the
7 PIPP or LIHEAP.

8 (5.5) In addition to the ARP described in paragraph
9 (5) of this subsection (c), utilities may also implement a
10 Supplemental Arrearage Reduction Program (SARP) for
11 eligible participants who are not able to become plan
12 participants due to PIPP timing or funding constraints. If
13 a utility elects to implement a SARP, it shall be
14 administered as follows: for each month that a SARP
15 participant timely pays his or her utility bill, the
16 utility shall apply a credit to a portion of the
17 participant's pre-program arrears, if any, equal to
18 one-twelfth of such arrearage, provided that the utility
19 may limit the total amount of arrearage credits to no more
20 than \$1,000 annually for each participant for gas and no
21 more than \$1,000 annually for each participant for
22 electricity. SARP participants shall not be subject to the
23 imposition of any additional late payment fees on
24 pre-program arrears covered by the SARP. In all other
25 respects, the utility shall bill and collect the monthly
26 bill of a SARP participant under the same rules,

1 regulations, programs, and policies as applicable to
2 residential customers generally. Participation in the SARP
3 shall be limited to the maximum amount of funds available
4 as set forth in subsection (f) of Section 13 of this Act.
5 In the event any donated funds under Section 13 of this Act
6 are specifically designated for the purpose of funding the
7 SARP, the Department shall remit such amounts to the
8 utilities upon verification that such funds are needed to
9 fund the SARP.

10 (6) The Department may terminate a plan participant's
11 eligibility for the PIP Plan upon notification by the
12 utility that the participant's monthly utility payment is
13 more than 75 ~~45~~ days past due. One-twelfth of a customer's
14 arrears shall be deducted from the total arrears owed
15 for each on-time payment made by the customer.

16 (7) The Department, in consultation with the Policy
17 Advisory Council, may adjust the number of PIP Plan
18 participants annually, if necessary, to match the
19 availability of funds. Any plan participant who qualifies
20 for a PIPP credit under a utility's PIPP shall be entitled
21 to participate in and receive a credit under such
22 utility's ARP for so long as such utility has ARP funds
23 available, regardless of whether the customer's
24 participation under another utility's PIPP or ARP has been
25 curtailed or limited because of a lack of funds.

26 (8) The Department shall fully implement the PIPP at

1 the earliest possible date it is able to effectively
2 administer the PIPP. Within 90 days of the effective date
3 of this amendatory Act of the 96th General Assembly, the
4 Department shall, in consultation with utility companies,
5 participating alternative suppliers, LAAs and the Illinois
6 Commerce Commission (Commission), issue a detailed
7 implementation plan which shall include detailed testing
8 protocols and analysis of the capacity for implementation
9 by the LAAs and utilities. Such consultation process also
10 shall address how to implement the PIPP in the most
11 cost-effective and timely manner, and shall identify
12 opportunities for relying on the expertise of utilities,
13 LAAs and the Commission. Following the implementation of
14 the testing protocols, the Department shall issue a
15 written report on the feasibility of full or gradual
16 implementation. The PIPP shall be fully implemented by
17 September 1, 2011, but may be phased in prior to that date.

18 (9) As part of the screening process established under
19 item (1) of this subsection (c), the Department and LAAs
20 shall assess whether any energy efficiency or demand
21 response measures are available to the plan participant at
22 no cost, and if so, the participant shall enroll in any
23 such program for which he or she is eligible. The LAAs
24 shall assist the participant in the applicable enrollment
25 or application process.

26 (10) Each alternative retail electric and gas supplier

1 serving residential customers shall elect whether to
2 participate in the PIPP or ARP described in this Section.
3 Any such supplier electing to participate in the PIPP
4 shall provide to the Department such information as the
5 Department may require, including, without limitation,
6 information sufficient for the Department to determine the
7 proportionate allocation of credits between the
8 alternative supplier and the utility. If a utility in
9 whose service territory an alternative supplier serves
10 customers contributes money to the ARP fund which is not
11 recovered from ratepayers, then an alternative supplier
12 which participates in ARP in that utility's service
13 territory shall also contribute to the ARP fund in an
14 amount that is commensurate with the number of alternative
15 supplier customers who elect to participate in the
16 program.

17 (11) The PIPP shall be designed and implemented each
18 year to maximize participation and spend at least 80% of
19 the funding available for the year.

20 (d) The Department, in consultation with the Policy
21 Advisory Council, shall develop and implement a program to
22 educate customers about the PIP Plan and about their rights
23 and responsibilities under the percentage of income component.
24 The Department, in consultation with the Policy Advisory
25 Council, shall establish a process that LAAs shall use to
26 contact customers in jeopardy of losing eligibility due to

1 late payments. The Department shall ensure that LAAs are
2 adequately funded to perform all necessary educational tasks.

3 (e) The PIPP shall be administered in a manner which
4 ensures that credits to plan participants will not be counted
5 as income or as a resource in other means-tested assistance
6 programs for low-income households or otherwise result in the
7 loss of federal or State assistance dollars for low-income
8 households.

9 (f) In order to ensure that implementation costs are
10 minimized, the Department and utilities shall work together to
11 identify cost-effective ways to transfer information
12 electronically and to employ available protocols that will
13 minimize their respective administrative costs as follows:

14 (1) The Commission may require utilities to provide
15 such information on customer usage and billing and payment
16 information as required by the Department to implement the
17 PIP Plan and to provide written notices and communications
18 to plan participants.

19 (2) Each utility and participating alternative
20 supplier shall file annual reports with the Department and
21 the Commission that cumulatively summarize and update
22 program information as required by the Commission's rules.
23 The reports shall track implementation costs and contain
24 such information as is necessary to evaluate the success
25 of the PIPP.

26 (2.5) The Department shall annually prepare and submit

1 a report to the General Assembly, the Commission, and the
2 Policy Advisory Council that identifies the following
3 amounts for the most recently completed year: total moneys
4 collected under subsection (b) of Section 13 of this Act
5 for all PIPPs implemented in the State; moneys allocated
6 to each utility for implementation of its PIPP; and moneys
7 allocated to each utility for other purposes, including a
8 description of each of those purposes. The Commission
9 shall publish the report on its website.

10 (3) The Department and the Commission shall have the
11 authority to promulgate rules and regulations necessary to
12 execute and administer the provisions of this Section.

13 (g) Each utility shall be entitled to recover reasonable
14 administrative and operational costs incurred to comply with
15 this Section from the Supplemental Low Income Energy
16 Assistance Fund. The utility may net such costs against monies
17 it would otherwise remit to the Funds, and each utility shall
18 include in the annual report required under subsection (f) of
19 this Section an accounting for the funds collected.

20 (Source: P.A. 101-636, eff. 6-10-20.)

21 (305 ILCS 20/20 new)

22 Sec. 20. Expanded eligibility. All programs pursuant to
23 this Act shall be available to eligible low-income Illinois
24 residents who qualify for assistance under Sections 6 and 18,
25 regardless of immigration status, using the Supplemental

1 Low-Income Energy Assistance Fund for customers of utilities
2 and vendors that collect the Energy Assistance Charge and pay
3 into the Supplemental Low-Income Energy Assistance Fund.

4 Section 30-50. The Environmental Protection Act is amended
5 by changing Sections 2 and 9.15 and by adding Section 3.1325 as
6 follows:

7 (415 ILCS 5/2) (from Ch. 111 1/2, par. 1002)

8 Sec. 2. (a) The General Assembly finds:

9 (i) that environmental damage seriously endangers the
10 public health and welfare, as more specifically described
11 in later sections of this Act;

12 (ii) that because environmental damage does not
13 respect political boundaries, it is necessary to establish
14 a unified state-wide program for environmental protection
15 and to cooperate fully with other States and with the
16 United States in protecting the environment;

17 (iii) that air, water, and other resource pollution,
18 public water supply, solid waste disposal, noise, and
19 other environmental problems are closely interrelated and
20 must be dealt with as a unified whole in order to safeguard
21 the environment;

22 (iv) that it is the obligation of the State Government
23 to manage its own activities so as to minimize
24 environmental damage; to encourage and assist local

1 governments to adopt and implement
2 environmental-protection programs consistent with this
3 Act; to promote the development of technology for
4 environmental protection and conservation of natural
5 resources; to do its part to stop and reverse the effects
6 of climate change by moving toward 100% clean energy
7 generation; and in appropriate cases to afford financial
8 assistance in preventing environmental damage;

9 (v) that in order to alleviate the burden on
10 enforcement agencies, to assure that all interests are
11 given a full hearing, and to increase public participation
12 in the task of protecting the environment, private as well
13 as governmental remedies must be provided;

14 (vi) that despite the existing laws and regulations
15 concerning environmental damage there exist continuing
16 destruction and damage to the environment and harm to the
17 public health, safety and welfare of the people of this
18 State, and that among the most significant sources of this
19 destruction, damage, and harm are the improper and unsafe
20 transportation, treatment, storage, disposal, and dumping
21 of hazardous wastes;

22 (vii) that it is necessary to supplement and
23 strengthen existing criminal sanctions regarding
24 environmental damage, by enacting specific penalties for
25 injury to public health and welfare and the environment.

26 (b) It is the purpose of this Act, as more specifically

1 described in later sections, to establish a unified,
2 state-wide program supplemented by private remedies, to
3 restore, protect and enhance the quality of the environment,
4 and to assure that adverse effects upon the environment are
5 fully considered and borne by those who cause them.

6 (c) The terms and provisions of this Act shall be
7 liberally construed so as to effectuate the purposes of this
8 Act as set forth in subsection (b) of this Section, but to the
9 extent that this Act prescribes criminal penalties, it shall
10 be construed in accordance with the Criminal Code of 2012.

11 (Source: P.A. 97-1150, eff. 1-25-13.)

12 (415 ILCS 5/3.1325 new)

13 Sec. 3.1325. Clean Energy. "Clean Energy" means energy
14 generation that is substantially free (90% or greater) of
15 carbon dioxide emissions.

16 (415 ILCS 5/9.15)

17 Sec. 9.15. Greenhouse gases.

18 (a) An air pollution construction permit shall not be
19 required due to emissions of greenhouse gases if the
20 equipment, site, or source is not subject to regulation, as
21 defined by 40 CFR 52.21, as now or hereafter amended, for
22 greenhouse gases or is otherwise not addressed by the Board in
23 regulations for greenhouse gases. These exemptions do ~~This~~
24 exemption does not relieve an owner or operator from the

1 obligation to comply with other applicable rules or
2 regulations.

3 (b) An air pollution operating permit shall not be
4 required due to emissions of greenhouse gases if the
5 equipment, site, or source is not subject to regulation, as
6 defined by Section 39.5 of this Act, for greenhouse gases or is
7 otherwise not addressed by the Board in regulations for
8 greenhouse gases. These exemptions do . ~~This exemption does~~
9 not relieve an owner or operator from the obligation to comply
10 with other applicable rules or regulations.

11 (c) (Blank). ~~Notwithstanding any provision to the contrary~~
12 ~~in this Section, an air pollution construction or operating~~
13 ~~permit shall not be required due to emissions of greenhouse~~
14 ~~gases if any of the following events occur:~~

15 ~~(1) enactment of federal legislation depriving the~~
16 ~~Administrator of the USEPA of authority to regulate~~
17 ~~greenhouse gases under the Clean Air Act;~~

18 ~~(2) the issuance of any opinion, ruling, judgment,~~
19 ~~order, or decree by a federal court depriving the~~
20 ~~Administrator of the USEPA of authority to regulate~~
21 ~~greenhouse gases under the Clean Air Act; or~~

22 ~~(3) action by the President of the United States or~~
23 ~~the President's authorized agent, including the~~
24 ~~Administrator of the USEPA, to repeal or withdraw the~~
25 ~~Greenhouse Gas Tailoring Rule (75 Fed. Reg. 31514, June 3,~~
26 ~~2010).~~

1 ~~This subsection (c) does not relieve an owner or operator~~
2 ~~from the obligation to comply with applicable rules or~~
3 ~~regulations other than those relating to greenhouse gases.~~

4 (d) (Blank). ~~If any event listed in subsection (c) of this~~
5 ~~Section occurs, permits issued after such event shall not~~
6 ~~impose permit terms or conditions addressing greenhouse gases~~
7 ~~during the effectiveness of any event listed in subsection~~
8 ~~(c).~~

9 (e) (Blank). ~~If an event listed in subsection (c) of this~~
10 ~~Section occurs, any owner or operator with a permit that~~
11 ~~includes terms or conditions addressing greenhouse gases may~~
12 ~~elect to submit an application to the Agency to address a~~
13 ~~revision or repeal of such terms or conditions. The Agency~~
14 ~~shall expeditiously process such permit application in~~
15 ~~accordance with applicable laws and regulations.~~

16 (f) Definitions. As used in this Section:

17 "Carbon dioxide equivalent emissions" or "CO₂e" means the
18 sum total of the mass amount of emissions in tons per year,
19 calculated by multiplying the mass amount of each of the 6
20 greenhouse gases specified in Section 3.207 of the Act (in
21 tons per year) by its associated global warming potential as
22 set forth in 40 CFR 98, subpart A, table A-1, and then adding
23 them all together.

24 "Electric generating unit" or "EGU" means a fossil
25 fuel-fired stationary boiler, combustion turbine, or combined
26 cycle system that serves a generator that has a nameplate

1 capacity greater than 25 MWe and produces electricity for
2 sale.

3 "Large greenhouse gas-emitting" or "large GHG-emitting
4 unit" means a unit that is an electric generating unit or other
5 fossil fuel-fired unit that itself has a nameplate capacity or
6 serves a generator that has a nameplate capacity greater than
7 25 MWe and that produces electricity (including, but not
8 limited to, coal-fired, coal-derived, oil-fired, natural
9 gas-fired, and cogeneration units).

10 (g) The Agency shall, within 365 days after the effective
11 date of this amendatory Act of the 102nd General Assembly,
12 initiate a rulemaking to amend Title 35 of the Illinois
13 Administrative Code to establish declining greenhouse gas
14 emissions caps beginning in 2024 from all large GHG-emitting
15 units so as to progressively eliminate all greenhouse gas
16 emissions from such units by the year 2030 for EGUs that use
17 coal as a fuel, and by the year 2045 for remaining large
18 GHG-emitting units, except under conditions described in
19 subsection (j), and to establish aggregate statewide emissions
20 caps. No later than 365 days after receipt of the Agency's
21 proposal under this Section, the Board shall adopt rules that
22 establish declining emissions caps for greenhouse gases for
23 each individual large GHG-emitting unit in Illinois, as well
24 as an aggregate statewide greenhouse gas emissions cap. The
25 Board may set different declining caps for each unit, but caps
26 must decline to zero emissions for all EGUs that use coal as a

1 fuel by 2030 and all other large GHG-emitting units by 2045,
2 except under conditions described in subsection (j).

3 (h) As part of its rulemaking proposal, the Agency:

4 (1) Shall conduct a stakeholder process prior to
5 initiating a rulemaking proceeding before the Illinois
6 Pollution Control Board that encourages the meaningful
7 participation of Illinois residents. This process should
8 include a public comment period, during which the Agency
9 shall:

10 (A) encourage and accept written public comments
11 from across the State;

12 (B) hold three public outreach events; and

13 (C) ensure access for residents by providing
14 opportunity for oral public comment outside the
15 workday.

16 (2) May set declining rates of greenhouse gas
17 emissions from individual large GHG-emitting units based
18 on factors such as the amount of greenhouse gas emissions
19 at a unit, electric grid supply and reliability, and unit
20 operational schedule.

21 (3) May set greenhouse gas emissions caps that result
22 in zero emissions from certain EGUs that use coal as a fuel
23 earlier than 2030 and from other large GHG-emitting units
24 earlier than 2045, as supported by the Agency's assessment
25 of units.

26 (i) The Agency's rulemaking proposal and the Board's

1 adopted rule shall address the following:

2 (1) Aggregate statewide emissions caps. The Agency
3 shall establish a schedule by which the aggregate cap
4 shall decline consistently. A baseline shall be calculated
5 by averaging the total actual greenhouse gas emissions,
6 calculated in terms of CO₂e, from the years 2018, 2019, and
7 2020 from all large GHG-emitting units for which the
8 Agency has issued a permit to operate or a permit to
9 construct as of the date the Agency proposes the rule to
10 the Board. For any units that were not yet operating in
11 2018 but were operating by January 1, 2020, the baseline
12 amount included within the aggregate statewide emissions
13 cap shall be the total actual greenhouse gas emissions,
14 calculated in terms of CO₂e, from the unit in 2020. For any
15 units that were not yet operating by January 1, 2020, the
16 baseline amount included within the aggregate statewide
17 emissions cap shall be an amount that is proposed by the
18 Agency and adopted by the Board, consistent with expected
19 operations and taking into account any other operational
20 factors that have occurred prior to the proposal and
21 adoption of the rule. To ensure consistent progress toward
22 the goal of eliminating all greenhouse gas emissions from
23 large GHG-emitting units, the aggregate emissions cap
24 shall decrease by no less than 20% of the baseline amount
25 in every five-year period.

26 (2) Unit-specific emissions caps. Greenhouse gas

1 emissions caps, calculated in terms of CO₂e, shall be
2 established for individual large GHG-emitting units by
3 evaluating individual units and setting appropriate
4 declining caps for emission reductions. Greenhouse gas
5 emissions caps shall apply to each large GHG-emitting unit
6 in the State and the sum of all unit-specific emissions
7 caps shall total to no more than the aggregate statewide
8 greenhouse gas emissions cap. The Agency shall include in
9 its rulemaking proposal a declining greenhouse gas
10 emission cap, calculated in terms of CO₂e, that delineates
11 each unit's allowable greenhouse gas emissions in every
12 year until the unit reaches zero greenhouse gas emissions.

13 (j) The Agency's proposal and the Board's adopted rule
14 shall include language that allows EGUs that use coal as a fuel
15 to continue emitting greenhouse gases after 2030 and other
16 large GHG-emitting units to continue emitting greenhouse gases
17 after 2045, or after any earlier deadline specified in the
18 rulemaking, only in such circumstance that it has been
19 determined that ongoing operation of the unit is necessary to
20 maintain power grid supply and reliability for EGUs or is
21 necessary to serve as an emergency backup to operations for
22 other large GHG-emitting units. The rule must include language
23 mandating that:

24 (1) each large GHG-emitting unit that is a participant
25 in a regional transmission organization submit
26 documentation to the appropriate regional transmission

1 organization by deadlines specified in the rulemaking that
2 meets all applicable regulatory requirements necessary to
3 obtain approval to permanently cease operating the large
4 GHG-emitting unit;

5 (2) if any large GHG-emitting unit that is a
6 participant in a regional transmission organization cannot
7 obtain such permission because the regional transmission
8 organization determines that operation of the unit is
9 required to maintain transmission supply and reliability,
10 the unit may continue operating but the owner or operator
11 of the unit must use its best efforts to resolve the supply
12 and reliability requirement with the regional transmission
13 organization and cease operation as soon as practicable;
14 and

15 (3) any large GHG-emitting unit that is not a
16 participant in a regional transmission organization be
17 allowed to continue emitting greenhouse gases after 2045
18 in the capacity of an emergency backup unit if the owner or
19 operator can justify the need for such extension to the
20 Agency, in consultation with the Illinois Commerce
21 Commission.

22 (k) Annual report. Each year by June 30, beginning in
23 2025, the Agency shall prepare and publish on its website a
24 report setting forth the actual greenhouse gas emissions from
25 individual units and the aggregate statewide emissions from
26 all units for the prior year.

1 (1) Greenhouse gas emissions fee. On and after January 1,
2 2022, the owner or operator of each large GHG-emitting unit
3 shall, on an annual basis, pay a fee to the Agency for such
4 unit as described below.

5 (1) In 2022, the fee amount for each unit shall be
6 \$8.00 per ton of CO₂e emitted from July 1, 2021, through
7 December 31, 2021. In each subsequent year, the fee amount
8 for each unit shall be based on the tons of CO₂e emitted
9 from January 1 through December 31, plus 3%.

10 (2) No later than February 1, 2022, the owner or
11 operator shall submit a report to the Agency's Bureau of
12 Air Compliance Section, specifying the tons of CO₂e
13 emitted from July 1, 2021, through December 31, 2021, with
14 supporting calculations for each of the 6 greenhouse gases
15 and any subcategories thereof. No later than February 1 of
16 each subsequent year, the owner or operator shall submit a
17 report to the Agency's Bureau of Air Compliance Section,
18 specifying the tons of CO₂e emitted in the prior year with
19 supporting calculations for each of the 6 greenhouse gases
20 and any subcategories thereof.

21 (3) No later than March 1, 2022, the Agency shall send
22 a billing statement to the owner or operator indicating
23 the amount of greenhouse gas emissions fees owed for July
24 1, 2021, through December 31, 2021. No later than March 1
25 of each subsequent year, the Agency shall send a billing
26 statement to the owner or operator indicating the amount

1 of greenhouse gas emissions fees owed for the previous
2 year.

3 (4) The owner or operator shall pay all greenhouse gas
4 emissions fees by April 1 each year. Payment shall be made
5 through the Illinois E-Pay system or by a check or money
6 order payable to either the "Treasurer, State of Illinois"
7 or the "Illinois Environmental Protection Agency". The
8 check or money order shall be accompanied by the billing
9 statement that includes the site name and identification
10 number assigned by the Agency's Bureau of Air. If paying
11 by check or money order, payment shall be directed to the
12 Agency's Fiscal Services Section. Payment shall not
13 include any fees due to the Agency for any purpose other
14 than greenhouse gas emissions fees. Failure to timely pay
15 the fees will subject the owner or operator to possible
16 enforcement under Section 31 of the Act and collection
17 actions.

18 (5) Greenhouse gas emissions fees shall not be
19 refunded unless the amount paid is in excess of the amount
20 billed or the amount billed is determined by the Agency to
21 be incorrect. The owner or operator shall request
22 reconsideration of the amount of the greenhouse gas
23 emissions fees as determined by the Agency within 30 days
24 after issuance of a billing statement. Failure to request
25 reconsideration within this period shall constitute waiver
26 of all rights to seek reconsideration of the amount from

1 the Agency, waiver of all rights to a refund, and waiver of
2 all rights to appeal. All requests for reconsideration
3 shall be in writing, directed to the Agency's Bureau of
4 Air Compliance Section, and shall include all pertinent
5 facts and arguments in support of the request.

6 (6) Subject to the waiver provisions set forth in
7 paragraph (5) of this subsection (l), the owner or
8 operator may appeal the Agency's determination of the
9 greenhouse gas emissions fees pursuant to the
10 Administrative Review Law.

11 (7) The Agency shall have the authority to establish
12 additional procedures for the collection of greenhouse gas
13 emissions fees if necessary.

14 (m) Greenhouse Gas Emissions Reinvestment Fund.

15 (1) There is hereby created the Greenhouse Gas
16 Emissions Reinvestment Fund, a special fund in the State
17 Treasury, subject to appropriations unless otherwise
18 provided in this Section. All moneys collected from the
19 greenhouse gas emissions fee under subsection (l) shall be
20 deposited into the Greenhouse Gas Emissions Reinvestment
21 Fund.

22 (2) Whenever the Agency determines that a refund
23 should be made from the greenhouse gas emissions fee
24 collected under subsection (l) to a claimant, the Agency
25 shall submit a voucher for payment to the State
26 Comptroller, who shall cause the order to be drawn for the

1 amount specified and to the person named in the
2 notification from the Agency. This paragraph (2) shall
3 constitute an irrevocable and continuing appropriation of
4 all amounts necessary for the payment of refunds out of
5 the Fund as authorized under this paragraph (2).

6 (3) On July 1, 2022 and on July 1 of each year
7 thereafter, the Agency, in consultation with the
8 Governor's Office of Management and Budget, shall identify
9 the following allocations from amounts available in the
10 Greenhouse Gas Emissions Reinvestment Fund and shall
11 prepare and certify to the State Comptroller the transfer
12 and allocations of stated sums of money from the
13 Greenhouse Gas Emissions Reinvestment Fund to other named
14 funds in the State treasury as applicable.

15 (A) The Agency shall first determine the
16 allocation which shall remain in the Greenhouse Gas
17 Emissions Reinvestment Fund, subject to
18 appropriations, to pay for the direct and indirect
19 costs associated with the implementation,
20 administration, and enforcement of Section 9.15 of the
21 Environmental Protection Act, including the payment of
22 refunds from the greenhouse gas emissions fee under
23 collected subsection (1) of Section 9.15 of the
24 Environmental Protection Act by the Agency, together
25 with the annual audit to determine whether there is a
26 need for State support for the Illinois nuclear fleet

1 under Section 8-201.12 of the Public Utilities Act.

2 (B) After the allocations have been made as
3 provided in subparagraph (A) of paragraph (3) of this
4 subsection (m), from the remaining amounts the Agency
5 shall certify to the State Comptroller and the State
6 Treasurer shall transfer into the following named
7 funds according to the following allocations:

8 (i) 30% shall be transferred to the Energy
9 Transition Assistance Fund for use by the
10 Department of Commerce and Economic Opportunity
11 for job training, workforce assistance, and just
12 transition programs for equity-focused
13 populations, and for use by the Illinois Student
14 Assistance Commission for a displaced energy
15 worker dependent transition scholarship;

16 (ii) 5% shall be transferred to the Alternate
17 Fuels Fund for the Agency to administer and
18 provide rebates for consumers who purchase
19 electric vehicles pursuant to the Electric Vehicle
20 Rebate Act;

21 (iii) 5% shall be transferred to the Energy
22 Transition Assistance Fund for distribution by the
23 Department of Commerce and Economic Opportunity
24 for assistance for communities who have
25 experienced the closure of a power generation
26 facility after 2016 pursuant to the Energy

1 Transition Community Grant Program;

2 (iv) 5% shall be transferred to the Energy
3 Efficiency Trust Fund for the Illinois
4 Environmental Protection Agency for energy
5 efficiency programs, including weatherization;

6 (v) 5% shall be transferred to the Clean Air
7 Act Permit Fund for use by the Environmental
8 Protection Agency including the implementation,
9 administration, and enforcement of the Clean Air
10 Act by the Agency;

11 (vi) 5% shall be transferred to the Public
12 Utilities Fund for use by the Illinois Commerce
13 Commission for costs of administering the changes
14 made to the Public Utilities Act by this
15 amendatory Act of the 102nd General Assembly;

16 (vii) 5% shall be transferred to the State
17 Parks Fund for the Department of Natural Resources
18 for the maintenance, and development of State
19 parks including infrastructure improvements to
20 promote outdoor recreation and sustainable energy;

21 (viii) 1% shall be transferred to the Plugging
22 and Restoration Fund for the Department of Natural
23 Resources for the purposes of plugging, replugging
24 or repairing any well, and restoring the site of
25 any well, determined by the Department to be
26 abandoned;

1 (ix) 1% shall be transferred to the Illinois
2 Power Agency Operations Fund for use by the
3 Illinois Power Agency;

4 (x) 10% shall be transferred to the Budget
5 Stabilization Fund;

6 (xi) 2% for transfers to the State Garage
7 Revolving Fund for purposes of State fleet
8 electrification pursuant to Executive Order
9 2021-08; and

10 (xii) 2% shall be transferred to the Illinois
11 Power Agency.

12 27%, or any remaining balance in the Fund, shall
13 be retained for use by the Agency for the costs of
14 implementing the changes made to the Environmental
15 Protection Act by this amendatory Act of the 102nd
16 General Assembly or distributed in addition to
17 transfers listed in items (i) through (xii) of this
18 subparagraph (B).

19 (4) On June 30, 2025 and on June 30 of each year
20 thereafter, the Agency shall prepare and publish on its
21 website a report describing the amount of greenhouse gas
22 emissions fees collected that year from large greenhouse
23 gas-emitting units.

24 (Source: P.A. 97-95, eff. 7-12-11.)

25 Section 30-55. The Alternate Fuels Act is amended by

1 changing Sections 1, 5, 10, 15, and 40 and by adding Section 27
2 as follows:

3 (415 ILCS 120/1)

4 Sec. 1. Short title. This Act may be cited as the Electric
5 Vehicle Rebate ~~Alternate Fuels~~ Act.

6 (Source: P.A. 89-410.)

7 (415 ILCS 120/5)

8 Sec. 5. Purpose. The General Assembly declares that it is
9 the public policy of the State to promote and encourage the use
10 of electric ~~alternate fuel in~~ vehicles as a means to improve
11 air quality in the State, reduce greenhouse gas emissions, and
12 to meet the requirements of the federal Clean Air Act
13 ~~Amendments of 1990 and the federal Energy Policy Act of 1992.~~
14 The General Assembly further declares that the State can play
15 a leadership role by increasing the adoption ~~in the~~
16 ~~development~~ of vehicles powered by electricity ~~alternate~~
17 ~~fuels, as well as in the establishment of the necessary~~
18 ~~infrastructure to support this emerging technology.~~

19 (Source: P.A. 89-410.)

20 (415 ILCS 120/10)

21 Sec. 10. Definitions. As used in this Act:

22 "Agency" means the Environmental Protection Agency.

23 ~~"Alternate fuel" means liquid petroleum gas, natural gas,~~

1 ~~E85 blend fuel, fuel composed of a minimum 80% ethanol, 80%~~
2 ~~bio-based methanol, fuels that are at least 80% derived from~~
3 ~~biomass, hydrogen fuel, or electricity, excluding on board~~
4 ~~electric generation.~~

5 ~~"Alternate fuel vehicle" means any vehicle that is~~
6 ~~operated in Illinois and is capable of using an alternate~~
7 ~~fuel.~~

8 ~~"Biodiesel fuel" means a renewable fuel conforming to the~~
9 ~~industry standard ASTM D6751 and registered with the U.S.~~
10 ~~Environmental Protection Agency.~~

11 ~~"Car sharing organization" means an organization whose~~
12 ~~primary business is a membership-based service that allows~~
13 ~~members to drive cars by the hour in order to extend the public~~
14 ~~transit system, reduce personal car ownership, save consumers~~
15 ~~money, increase the use of alternative transportation, and~~
16 ~~improve environmental sustainability.~~

17 ~~"Conventional", when used to modify the word "vehicle",~~
18 ~~"engine", or "fuel", means gasoline or diesel or any~~
19 ~~reformulations of those fuels.~~

20 ~~"Covered Area" means the counties of Cook, DuPage, Kane,~~
21 ~~Lake, McHenry, and Will, together with Aux Sable and Goose~~
22 ~~Lake Townships in Grundy County and Oswego Township in Kendall~~
23 ~~County and those portions of Grundy County and Kendall County~~
24 ~~that are included in the following ZIP code areas, as~~
25 ~~designated by the U.S. Postal Service on the effective date of~~
26 ~~this amendatory Act of 1998: 60416, 60444, 60447, 60450,~~

1 ~~60481, 60538, and 60543.~~

2 ~~"Director" means the Director of the Environmental~~
3 ~~Protection Agency.~~

4 ~~"Domestic renewable fuel" means a fuel, produced in the~~
5 ~~United States, composed of a minimum 80% ethanol, 80%~~
6 ~~bio based methanol, or 20% biodiesel fuel.~~

7 ~~"E85 blend fuel" means fuel that contains 85% ethanol and~~
8 ~~15% gasoline.~~

9 "Electric vehicle" means a vehicle that is licensed to
10 drive on public roadways, is exclusively ~~predominantly~~ powered
11 by, and exclusively ~~primarily~~ refueled with, electricity, and
12 does not have restrictions confining it to operate on only
13 certain types of streets or roads. "Electric vehicle" does not
14 include hybrid electric vehicles and extended-range electric
15 vehicles that are also equipped with conventional fueled
16 propulsion or auxiliary engines or electric motorcycles.

17 ~~"GVWR" means Gross Vehicle Weight Rating.~~

18 ~~"Location" means (i) a parcel of real property or (ii)~~
19 ~~multiple, contiguous parcels of real property that are~~
20 ~~separated by private roadways, public roadways, or private or~~
21 ~~public rights of way and are owned, operated, leased, or under~~
22 ~~common control of one party.~~

23 "Low-income" means persons and families whose average
24 income does not exceed 80% of area median income, adjusted for
25 family size and revised every 2 years.

26 ~~"Original equipment manufacturer" or "OEM" means a~~

1 ~~manufacturer of alternate fuel vehicles or a manufacturer or~~
2 ~~remanufacturer of alternate fuel engines used in vehicles~~
3 ~~greater than 8500 pounds GVWR.~~

4 ~~"Rental vehicle" means any motor vehicle that is owned or~~
5 ~~controlled primarily for the purpose of short term leasing or~~
6 ~~rental pursuant to a contract.~~

7 (Source: P.A. 97-90, eff. 7-11-11.)

8 (415 ILCS 120/15)

9 Sec. 15. Rulemaking. The Agency shall promulgate rules as
10 necessary and dedicate sufficient resources to implement the
11 purposes of Section 27 ~~30~~ of this Act. Such rules shall be
12 consistent with applicable ~~the~~ provisions of the federal Clean
13 Air Act ~~Amendments of 1990~~ and any regulations promulgated
14 pursuant thereto. ~~The Secretary of State may promulgate rules~~
15 ~~to implement Section 35 of this Act. The Department of~~
16 ~~Commerce and Economic Opportunity may promulgate rules to~~
17 ~~implement Section 25 of this Act.~~

18 (Source: P.A. 94-793, eff. 5-19-06.)

19 (415 ILCS 120/27 new)

20 Sec. 27. Covered Areas; low-income rebate.

21 (a) Beginning July 1, 2022, and continuing as long as
22 funds are available, each low-income person residing in a
23 Covered Area shall be eligible to apply for a rebate, in the
24 amounts set forth below, following the purchase of an electric

1 vehicle in Illinois. The Agency shall issue rebates consistent
2 with the provisions of this Act and any implementing
3 regulations adopted by the Agency. In no event shall a rebate
4 amount exceed the purchase price of the vehicle.

5 (1) On and after July 1, 2022 through June 30, 2026, a
6 \$4,000 rebate for the purchase of an electric vehicle.

7 (2) On and after July 1, 2026 through June 30, 2028, a
8 \$2,000 rebate for the purchase of an electric vehicle.

9 (3) On and after July 1, 2028 through June 30, 2030, a
10 \$1,000 rebate for the purchase of an electric vehicle.

11 (b) To be eligible to receive a low-income rebate, a
12 purchaser must:

13 (1) Be a low-income person residing in a Covered Area,
14 both at the time the vehicle is purchased and at the time
15 the rebate is issued.

16 (2) Purchase an electric vehicle in Illinois on or
17 after July 1, 2022 and be the owner of the vehicle at the
18 time the rebate is issued. Rented or leased vehicles,
19 vehicles purchased from an out-of-state dealership, and
20 vehicles delivered to or received by the purchaser
21 out-of-state are not eligible for a rebate under this Act.

22 (3) Apply for the rebate within 90 days after the
23 vehicle purchase date, and provide to the Agency proof of
24 residence, proof of low-income status, proof of vehicle
25 ownership, and proof that the vehicle was purchased in
26 Illinois, including a copy of a purchase agreement noting

1 an Illinois seller. The purchaser must notify the Agency
2 of any changes in residency, low-income status, or
3 ownership of the vehicle that occur between application
4 for a rebate and issuance of a rebate.

5 (c) The purchaser must retain ownership of the vehicle for
6 a minimum of 12 consecutive months immediately following the
7 vehicle purchase date. The purchaser must continue to reside
8 in a Covered Area during that time frame and register the
9 vehicle in Illinois during that time frame. Rebate recipients
10 who fail to satisfy any of the above criteria will be required
11 to reimburse the Agency all or part of the original rebate
12 amount and shall notify the Agency within 60 days of failing to
13 satisfy the criteria.

14 (d) Rebates administered under this Section shall be
15 available for both new and used passenger electric vehicles.

16 (e) A rebate administered under this Act may only be
17 applied for and awarded one time per Vehicle Identification
18 Number. A rebate may only be applied for and awarded once per
19 purchaser in any 10-year period.

20 (415 ILCS 120/40)

21 Sec. 40. Appropriations from the Alternate Fuels Fund.

22 (a) User Fees Funds. The Agency shall estimate the amount
23 of user fees expected to be collected under Section 35 of this
24 Act for each fiscal year. User fee funds shall be deposited
25 into and distributed from the Alternate Fuels Fund in the

1 following manner:

2 (1) ~~An~~ In each of fiscal years ~~1999, 2000, 2001, 2002,~~
3 ~~and 2003,~~ an amount not to exceed \$200,000, and beginning
4 ~~in fiscal year 2004~~ an annual amount not to exceed
5 \$225,000, may be appropriated to the Agency from the
6 Alternate Fuels Fund to pay its costs of administering the
7 programs authorized by Section 27 ~~30~~ of this Act. ~~Up to~~
8 ~~\$200,000 may be appropriated to the Office of the~~
9 ~~Secretary of State in each of fiscal years 1999, 2000,~~
10 ~~2001, 2002, and 2003 from the Alternate Fuels Fund to pay~~
11 ~~the Secretary of State's costs of administering the~~
12 ~~programs authorized under this Act.~~ Beginning in fiscal
13 year 2004 and in each fiscal year thereafter, an amount
14 not to exceed \$225,000 may be appropriated to the
15 Secretary of State from the Alternate Fuels Fund to pay
16 the Secretary of State's costs of administering the
17 programs authorized under this Act.

18 (2) In fiscal years 2023, 2024, 2025, 2026, and 2027,
19 and each fiscal year thereafter ~~1999, 2000, 2001, and~~
20 ~~2002,~~ after appropriation of the amounts authorized by
21 item (1) of subsection (a) of this Section, the remaining
22 moneys estimated to be collected during each fiscal year
23 shall be appropriated ~~as follows: 80% of the remaining~~
24 ~~moneys shall be appropriated~~ to fund the programs
25 authorized by Section 27 ~~30,~~ and ~~20% shall be appropriated~~
26 ~~to fund the programs authorized by Section 25.~~ In fiscal

1 ~~year 2004 and each fiscal year thereafter, after~~
2 ~~appropriation of the amounts authorized by item (1) of~~
3 ~~subsection (a) of this Section, the remaining moneys~~
4 ~~estimated to be collected during each fiscal year shall be~~
5 ~~appropriated as follows: 70% of the remaining moneys shall~~
6 ~~be appropriated to fund the programs authorized by Section~~
7 ~~30 and 30% shall be appropriated to fund the programs~~
8 ~~authorized by Section 31.~~

9 (3) (Blank).

10 (4) Moneys appropriated to fund the programs
11 authorized in Section 27 ~~Sections 25 and 30~~ shall be
12 expended only after they have been collected and deposited
13 into the Alternate Fuels Fund.

14 (b) General Revenue Fund Appropriations. General Revenue
15 Fund amounts appropriated to and deposited into the Alternate
16 Fuels Fund shall be distributed from the Alternate Fuels Fund
17 to fund the programs authorized in Section 27. ~~in the~~
18 ~~following manner:~~

19 ~~(1) In each of fiscal years 2003 and 2004, an amount~~
20 ~~not to exceed \$50,000 may be appropriated to the~~
21 ~~Department of Commerce and Community Affairs (now~~
22 ~~Department of Commerce and Economic Opportunity) from the~~
23 ~~Alternate Fuels Fund to pay its costs of administering the~~
24 ~~programs authorized by Sections 31 and 32.~~

25 ~~(2) In each of fiscal years 2003 and 2004, an amount~~
26 ~~not to exceed \$50,000 may be appropriated to the~~

1 ~~Department of Commerce and Community Affairs (now~~
2 ~~Department of Commerce and Economic Opportunity) to fund~~
3 ~~the programs authorized by Section 32.~~

4 ~~(3) In each of fiscal years 2003 and 2004, after~~
5 ~~appropriation of the amounts authorized in items (1) and~~
6 ~~(2) of subsection (b) of this Section, the remaining~~
7 ~~moneys received from the General Revenue Fund shall be~~
8 ~~appropriated as follows: 52.632% of the remaining moneys~~
9 ~~shall be appropriated to fund the programs authorized by~~
10 ~~Sections 25 and 30 and 47.368% of the remaining moneys~~
11 ~~shall be appropriated to fund the programs authorized by~~
12 ~~Section 31. The moneys appropriated to fund the programs~~
13 ~~authorized by Sections 25 and 30 shall be used as follows:~~
14 ~~20% shall be used to fund the programs authorized by~~
15 ~~Section 25, and 80% shall be used to fund the programs~~
16 ~~authorized by Section 30.~~

17 ~~Moneys appropriated to fund the programs authorized in~~
18 ~~Section 31 shall be expended only after they have been~~
19 ~~deposited into the Alternate Fuels Fund.~~

20 (Source: P.A. 93-32, eff. 7-1-03; 94-793, eff. 5-19-06.)

21 (415 ILCS 120/20 rep.)

22 (415 ILCS 120/22 rep.)

23 (415 ILCS 120/24 rep.)

24 (415 ILCS 120/30 rep.)

25 (415 ILCS 120/31 rep.)

1 (415 ILCS 120/32 rep.)

2 Section 30-56. The Alternate Fuels Act is amended by
3 repealing Sections 20, 22, 24, 30, 31, and 32.

4 Section 30-60. The First Informer Broadcasters Act is
5 amended by adding Section 20 as follows:

6 (430 ILCS 170/20 new)

7 Sec. 20. Cybersecurity Measures for Municipal Power and
8 Distribution Cooperatives.

9 (a) It is the policy of the State of Illinois to ensure
10 that the systems which deliver power to its residents are
11 protected from physical and cyber risks and attacks, including
12 through municipal power agencies and distribution
13 cooperatives.

14 (b) Legislative Findings. The General Assembly finds:

15 (1) That a substantial number of Illinois residents
16 and businesses rely on power delivered through municipal
17 power agencies and distribution cooperatives.

18 (2) That all utilities, including municipal power
19 agencies and distribution cooperatives, are the target of
20 physical and cyber threats and attacks.

21 (3) That cyber attacks have the ability to destabilize
22 portions of the grid, leaving Illinois residents without
23 power and access to critical services.

24 (4) That it is in the interest of the State of Illinois

1 to understand the nature of threats and to work with
2 municipal agencies and cooperatives to support their
3 planning for such threats.

4 (c) Planning Summaries. Starting on December 31, 2021 and
5 on or before December 31 of every year thereafter, each
6 municipal power agency and distribution cooperative shall file
7 with the Illinois Emergency Management Agency (IEMA) and the
8 Illinois Commerce Commission (Commission) a summary of its
9 planning process and preparedness for addressing cyber and
10 physical security risks.

11 (1) In preparing the summary, the municipal power
12 agency or distribution cooperative shall assess risks and
13 the extent to which they can be exploited by bad actors,
14 security controls, previous attacks and vulnerabilities
15 that led to those attacks, incident and vulnerability
16 management, efforts being taken to mitigate risks,
17 continuity of power planning, training and awareness, and
18 any other information the municipal power agency or
19 distribution cooperative deems relevant to a thorough
20 assessment of its preparedness for cyber and physical
21 security attacks.

22 (2) The summary shall be high-level and contain little
23 explicit information. As part of its summary, the filing
24 entity need not report any confidential, proprietary, or
25 other information in the plan that could in any way
26 compromise or decrease the filing entity's ability to

1 prevent, mitigate, or recover from potential system
2 disruptions caused by physical events, or cyber attacks.

3 (3) IEMA and the Commission shall, to the extent
4 possible, coordinate with other State or federal agencies
5 to assist the filing entity in developing its report and
6 mitigating issues raised by the report.

7 Section 30-63. The Renewable Energy Facilities
8 Agricultural Impact Mitigation Act is amended by changing
9 Section 15 as follows:

10 (505 ILCS 147/15)

11 Sec. 15. Agricultural impact mitigation agreement.

12 (a) A commercial renewable energy facility owner of a
13 commercial wind energy facility or a commercial solar energy
14 facility that is located on landowner property shall enter
15 into an agricultural impact mitigation agreement with the
16 Department outlining construction and deconstruction standards
17 and policies designed to preserve the integrity of any
18 agricultural land that is impacted by commercial renewable
19 energy facility construction and deconstruction. The
20 construction and deconstruction of any commercial wind energy
21 facility or commercial solar energy facility shall be in
22 conformance with the Department's standard agricultural impact
23 mitigation agreement referenced in subsection (f) of this
24 Section. The Department shall have the authority to halt the

1 construction or deconstruction of a commercial wind energy
2 facility or a commercial solar energy facility that does not
3 meet or exceed the terms and conditions included in the
4 Department's standard agricultural impact mitigation agreement
5 referenced in subsection (f) of this Section, but shall allow
6 other portions of the construction that are in compliance to
7 continue. The ~~Except as provided in subsection (a-5) of this~~
8 Section, the terms and conditions of the Department's standard
9 agricultural impact mitigation agreement are subject to and
10 may be modified by an underlying agreement between the
11 landowner and the commercial solar energy facility owner,
12 subject to approval by the Department.

13 (a-5) Prior to the commencement of construction, the
14 commercial renewable energy facility owner of a commercial
15 wind energy facility or a commercial solar energy facility a
16 commercial solar energy facility owner shall submit to the
17 county in which the commercial wind energy facility or
18 commercial solar energy facility~~commercial solar facility~~ is
19 to be located a deconstruction plan. A ~~commercial solar energy~~
20 ~~facility owner~~ commercial renewable energy facility owner
21 shall provide the county with an appropriate financial
22 assurance mechanism consistent with or exceeding the
23 requirements of the Department's standard agricultural impact
24 mitigation agreement for and to assure deconstruction in the
25 event of an abandonment of a commercial wind energy facility
26 or commercial solar energy facility.

1 (b) The agricultural impact mitigation agreement for a
2 commercial wind energy facility shall include, but is not
3 limited to, such items as restoration of agricultural land
4 affected by construction, deconstruction (including upon
5 abandonment of a commercial wind energy facility),
6 construction staging, and storage areas; support structures;
7 aboveground facilities; guy wires and anchors; underground
8 cabling depth; topsoil replacement; protection and repair of
9 agricultural drainage tiles; rock removal; repair of
10 compaction and rutting; land leveling; prevention of soil
11 erosion; repair of damaged soil conservation practices;
12 compensation for damages to private property; clearing of
13 trees and brush; interference with irrigation systems; access
14 roads; weed control; pumping of water from open excavations;
15 advance notice of access to private property; indemnification
16 of landowners; and deconstruction plans and financial
17 assurance for deconstruction (including upon abandonment of a
18 commercial wind energy facility).

19 (b-5) The agricultural impact mitigation agreement for a
20 commercial solar energy facility shall include, but is not
21 limited to, such items as restoration of agricultural land
22 affected by construction, deconstruction (including upon
23 abandonment of a commercial solar energy facility); support
24 structures; aboveground facilities; guy wires and anchors;
25 underground cabling depth; topsoil removal and replacement;
26 rerouting and permanent repair of agricultural drainage tiles;

1 rock removal; repair of compaction and rutting; construction
2 during wet weather; land leveling; prevention of soil erosion;
3 repair of damaged soil conservation practices; compensation
4 for damages to private property; clearing of trees and brush;
5 access roads; weed control; advance notice of access to
6 private property; indemnification of landowners; and
7 deconstruction plans and financial assurance for
8 deconstruction (including upon abandonment of a commercial
9 solar energy facility). The commercial solar energy facility
10 owner shall enter into one agricultural impact mitigation
11 agreement for each commercial solar energy facility.

12 (c) For commercial wind energy facility owners seeking a
13 permit from a county or municipality for the construction of a
14 commercial wind energy facility, the agricultural impact
15 mitigation agreement shall be entered into prior to the public
16 hearing required prior to a siting decision of a county or
17 municipality regarding the commercial wind energy facility.
18 The agricultural impact mitigation agreement is binding on any
19 subsequent commercial wind energy facility owner that takes
20 ownership of the commercial wind energy facility that is the
21 subject of the agreement.

22 (c-5) A commercial solar energy facility owner shall, not
23 less than 45 days prior to commencement of actual
24 construction, submit to the Department a standard agricultural
25 impact mitigation agreement as referenced in subsection (f) of
26 this Section signed by the commercial solar energy facility

1 owner and including all information required by the
2 Department. The commercial solar energy facility owner shall
3 provide either a copy of that submitted agreement or a copy of
4 the fully executed project-specific agricultural impact
5 mitigation agreement to the landowner not less than 30 days
6 prior to the commencement of construction. The agricultural
7 impact mitigation agreement is binding on any subsequent
8 commercial solar energy facility owner that takes ownership of
9 the commercial solar energy facility that is the subject of
10 the agreement.

11 (d) If a commercial renewable energy facility owner seeks
12 an extension of a permit granted by a county or municipality
13 for the construction of a commercial wind energy facility
14 prior to the effective date of this Act, the agricultural
15 impact mitigation agreement shall be entered into prior to a
16 decision by the county or municipality to grant the permit
17 extension.

18 (e) The Department may adopt rules that are necessary and
19 appropriate for the implementation and administration of
20 agricultural impact mitigation agreements as required under
21 this Act.

22 (f) The Department shall make available on its website a
23 standard agricultural impact mitigation agreement applicable
24 to all commercial wind energy facilities or commercial solar
25 energy facilities ~~within 60 days after the effective date of~~
26 ~~this amendatory Act of the 100th General Assembly.~~

1 (g) Nothing in this amendatory Act of the 100th General
2 Assembly and nothing in an agricultural impact mitigation
3 agreement shall be construed to apply to or otherwise impair
4 an underlying agreement for a commercial solar energy facility
5 entered into prior to the effective date of this amendatory
6 Act of the 100th General Assembly.

7 (Source: P.A. 99-132, eff. 7-24-15; 100-598, eff. 6-29-18.)

8 Section 30-65. The Consumer Fraud and Deceptive Business
9 Practices Act is amended by adding Section 10e as follows:

10 (815 ILCS 505/10e new)

11 Sec. 10e. Filed Rate Doctrine. The filed rate doctrine
12 shall not be a defense to an action under this Act against any
13 entity regulated by the Illinois Commerce Commission. The
14 remedies for violations of the Public Utilities Act and its
15 rules do not replace, are in addition to and not in
16 substitution for, the remedies that may be imposed for
17 violations of this Act.

18 Section 30-70. The Illinois Worker Adjustment and
19 Retraining Notification Act is amended by changing Section 10
20 as follows:

21 (820 ILCS 65/10)

22 Sec. 10. Notice.

1 (a) An employer may not order a mass layoff, relocation,
2 or employment loss unless, 60 days before the order takes
3 effect, the employer gives written notice of the order to the
4 following:

5 (1) affected employees and representatives of affected
6 employees; and

7 (2) the Department of Commerce and Economic
8 Opportunity and the chief elected official of each
9 municipal and county government within which the
10 employment loss, relocation, or mass layoff occurs.

11 (b) An employer of an investor-owned electric generating
12 plant or coal mining operation may not order a mass layoff,
13 relocation, or employment loss unless, 2 years before the
14 order takes effect, the employer gives written notice of the
15 order to the following:

16 (1) affected employees and representatives of affected
17 employees; and

18 (2) the Department of Commerce and Economic
19 Opportunity and the chief elected official of each
20 municipal and county government within which the
21 employment loss, relocation, or mass layoff occurs.

22 (b) An employer required to give notice of any mass
23 layoff, relocation, or employment loss under this Act shall
24 include in its notice the elements required by the federal
25 Worker Adjustment and Retraining Notification Act (29 U.S.C.
26 2101 et seq.).

1 (c) Notwithstanding the requirements of subsection (a), an
2 employer is not required to provide notice if a mass layoff,
3 relocation, or employment loss is necessitated by a physical
4 calamity or an act of terrorism or war.

5 (d) The mailing of notice to an employee's last known
6 address or inclusion of notice in the employee's paycheck
7 shall be considered acceptable methods for fulfillment of the
8 employer's obligation to give notice to each affected employee
9 under this Act.

10 (e) In the case of a sale of part or all of an employer's
11 business, the seller shall be responsible for providing notice
12 for any plant closing or mass layoff in accordance with this
13 Section, up to and including the effective date of the sale.
14 After the effective date of the sale of part or all of an
15 employer's business, the purchaser shall be responsible for
16 providing notice for any plant closing or mass layoff in
17 accordance with this Section. Notwithstanding any other
18 provision of this Act, any person who is an employee of the
19 seller (other than a part-time employee) as of the effective
20 date of the sale shall be considered an employee of the
21 purchaser immediately after the effective date of the sale.

22 (f) An employer which is receiving State or local economic
23 development incentives for doing or continuing to do business
24 in this State may be required to provide additional notice
25 pursuant to Section 15 of the Business Economic Support Act.

26 (g) The rights and remedies provided to employees by this

1 Act are in addition to, and not in lieu of, any other
2 contractual or statutory rights and remedies of the employees,
3 and are not intended to alter or affect such rights and
4 remedies, except that the period of notification required by
5 this Act shall run concurrently with any period of
6 notification required by contract or by any other law.

7 (h) It is the sense of the General Assembly that an
8 employer who is not required to comply with the notice
9 requirements of this Section should, to the extent possible,
10 provide notice to its employees about a proposal to close a
11 plant or permanently reduce its workforce.

12 (Source: P.A. 93-915, eff. 1-1-05.)

13 Section 30-75. The Prevailing Wage Act is amended by
14 changing Section 2 as follows:

15 (820 ILCS 130/2) (from Ch. 48, par. 39s-2)

16 Sec. 2. This Act applies to the wages of laborers,
17 mechanics and other workers employed in any public works, as
18 hereinafter defined, by any public body and to anyone under
19 contracts for public works. This includes any maintenance,
20 repair, assembly, or disassembly work performed on equipment
21 whether owned, leased, or rented.

22 As used in this Act, unless the context indicates
23 otherwise:

24 "Public works" means all fixed works constructed or

1 demolished by any public body, or paid for wholly or in part
2 out of public funds. "Public works" as defined herein includes
3 all projects financed in whole or in part with bonds, grants,
4 loans, or other funds made available by or through the State or
5 any of its political subdivisions, including but not limited
6 to: bonds issued under the Industrial Project Revenue Bond Act
7 (Article 11, Division 74 of the Illinois Municipal Code), the
8 Industrial Building Revenue Bond Act, the Illinois Finance
9 Authority Act, the Illinois Sports Facilities Authority Act,
10 or the Build Illinois Bond Act; loans or other funds made
11 available pursuant to the Build Illinois Act; loans or other
12 funds made available pursuant to the Riverfront Development
13 Fund under Section 10-15 of the River Edge Redevelopment Zone
14 Act; or funds from the Fund for Illinois' Future under Section
15 6z-47 of the State Finance Act, funds for school construction
16 under Section 5 of the General Obligation Bond Act, funds
17 authorized under Section 3 of the School Construction Bond
18 Act, funds for school infrastructure under Section 6z-45 of
19 the State Finance Act, and funds for transportation purposes
20 under Section 4 of the General Obligation Bond Act. "Public
21 works" also includes (i) all projects financed in whole or in
22 part with funds from the Department of Commerce and Economic
23 Opportunity under the Illinois Renewable Fuels Development
24 Program Act for which there is no project labor agreement;
25 (ii) all work performed pursuant to a public private agreement
26 under the Public Private Agreements for the Illiana Expressway

1 Act or the Public-Private Agreements for the South Suburban
2 Airport Act; and (iii) all projects undertaken under a
3 public-private agreement under the Public-Private Partnerships
4 for Transportation Act. "Public works" also includes all
5 projects at leased facility property used for airport purposes
6 under Section 35 of the Local Government Facility Lease Act.
7 "Public works" also includes: the construction of a new wind
8 power facility by a business designated as a High Impact
9 Business under Section 5.5(a)(3)(E) of the Illinois Enterprise
10 Zone Act; and any project greater than 2,000 kilowatts and
11 less than 10,000 kilowatts financed in whole or in part with
12 renewable energy credits procured pursuant to subparagraph (K)
13 of paragraph (2) of subsection (a) of Section 1-75 and
14 paragraph (3) of subsection (a) of Section 1-75 of the
15 Illinois Power Agency Act. "Public works" does not include
16 work done directly by any public utility company, whether or
17 not done under public supervision or direction, or paid for
18 wholly or in part out of public funds. "Public works" also
19 includes any corrective action performed pursuant to Title XVI
20 of the Environmental Protection Act for which payment from the
21 Underground Storage Tank Fund is requested. "Public works"
22 does not include projects undertaken by the owner at an
23 owner-occupied single-family residence or at an owner-occupied
24 unit of a multi-family residence. "Public works" does not
25 include work performed for soil and water conservation
26 purposes on agricultural lands, whether or not done under

1 public supervision or paid for wholly or in part out of public
2 funds, done directly by an owner or person who has legal
3 control of those lands.

4 "Construction" means all work on public works involving
5 laborers, workers or mechanics. This includes any maintenance,
6 repair, assembly, or disassembly work performed on equipment
7 whether owned, leased, or rented.

8 "Locality" means the county where the physical work upon
9 public works is performed, except (1) that if there is not
10 available in the county a sufficient number of competent
11 skilled laborers, workers and mechanics to construct the
12 public works efficiently and properly, "locality" includes any
13 other county nearest the one in which the work or construction
14 is to be performed and from which such persons may be obtained
15 in sufficient numbers to perform the work and (2) that, with
16 respect to contracts for highway work with the Department of
17 Transportation of this State, "locality" may at the discretion
18 of the Secretary of the Department of Transportation be
19 construed to include two or more adjacent counties from which
20 workers may be accessible for work on such construction.

21 "Public body" means the State or any officer, board or
22 commission of the State or any political subdivision or
23 department thereof, or any institution supported in whole or
24 in part by public funds, and includes every county, city,
25 town, village, township, school district, irrigation, utility,
26 reclamation improvement or other district and every other

1 political subdivision, district or municipality of the state
2 whether such political subdivision, municipality or district
3 operates under a special charter or not.

4 "Labor organization" means an organization that is the
5 exclusive representative of an employer's employees recognized
6 or certified pursuant to the National Labor Relations Act.

7 The terms "general prevailing rate of hourly wages",
8 "general prevailing rate of wages" or "prevailing rate of
9 wages" when used in this Act mean the hourly cash wages plus
10 annualized fringe benefits for training and apprenticeship
11 programs approved by the U.S. Department of Labor, Bureau of
12 Apprenticeship and Training, health and welfare, insurance,
13 vacations and pensions paid generally, in the locality in
14 which the work is being performed, to employees engaged in
15 work of a similar character on public works.

16 (Source: P.A. 100-1177, eff. 6-1-19.)

17 Section 30-80. The Public Utilities Act is amended by
18 changing Section 8-103B as follows:

19 (220 ILCS 5/8-103B)

20 Sec. 8-103B. Energy efficiency and demand-response
21 measures.

22 (a) It is the policy of the State that electric utilities
23 are required to use cost-effective energy efficiency and
24 demand-response measures to reduce delivery load. Requiring

1 investment in cost-effective energy efficiency and
2 demand-response measures will reduce direct and indirect costs
3 to consumers by decreasing environmental impacts and by
4 avoiding or delaying the need for new generation,
5 transmission, and distribution infrastructure. It serves the
6 public interest to allow electric utilities to recover costs
7 for reasonably and prudently incurred expenditures for energy
8 efficiency and demand-response measures. As used in this
9 Section, "cost-effective" means that the measures satisfy the
10 total resource cost test. The low-income measures described in
11 subsection (c) of this Section shall not be required to meet
12 the total resource cost test. For purposes of this Section,
13 the terms "energy-efficiency", "demand-response", "electric
14 utility", and "total resource cost test" have the meanings set
15 forth in the Illinois Power Agency Act. "Black, indigenous,
16 and people of color" and "BIPOC" means people who are members
17 of the groups described in subparagraphs (a) through (e) of
18 paragraph (A) of subsection (1) of Section 2 of the Business
19 Enterprise for Minorities, Women, and Persons with
20 Disabilities Act.

21 (a-5) This Section applies to electric utilities serving
22 more than 500,000 retail customers in the State for those
23 multi-year plans commencing after December 31, 2017.

24 (b) For purposes of this Section, electric utilities
25 subject to this Section that serve more than 3,000,000 retail
26 customers in the State shall be deemed to have achieved a

1 cumulative persisting annual savings of 6.6% from energy
2 efficiency measures and programs implemented during the period
3 beginning January 1, 2012 and ending December 31, 2017, which
4 percent is based on the deemed average weather normalized
5 sales of electric power and energy during calendar years 2014,
6 2015, and 2016 of 88,000,000 MWhs. ~~For the purposes of this~~
7 ~~subsection (b) and subsection (b-5), the 88,000,000 MWhs of~~
8 ~~deemed electric power and energy sales shall be reduced by the~~
9 ~~number of MWhs equal to the sum of the annual consumption of~~
10 ~~customers that are exempt from subsections (a) through (j) of~~
11 ~~this Section under subsection (l) of this Section, as averaged~~
12 ~~across the calendar years 2014, 2015, and 2016.~~ After 2017,
13 the deemed value of cumulative persisting annual savings from
14 energy efficiency measures and programs implemented during the
15 period beginning January 1, 2012 and ending December 31, 2017,
16 shall be reduced each year, as follows, and the applicable
17 value shall be applied to and count toward the utility's
18 achievement of the cumulative persisting annual savings goals
19 set forth in subsection (b-5):

20 (1) 5.8% deemed cumulative persisting annual savings
21 for the year ending December 31, 2018;

22 (2) 5.2% deemed cumulative persisting annual savings
23 for the year ending December 31, 2019;

24 (3) 4.5% deemed cumulative persisting annual savings
25 for the year ending December 31, 2020;

26 (4) 4.0% deemed cumulative persisting annual savings

- 1 for the year ending December 31, 2021;
- 2 (5) 3.5% deemed cumulative persisting annual savings
- 3 for the year ending December 31, 2022;
- 4 (6) 3.1% deemed cumulative persisting annual savings
- 5 for the year ending December 31, 2023;
- 6 (7) 2.8% deemed cumulative persisting annual savings
- 7 for the year ending December 31, 2024;
- 8 (8) 2.5% deemed cumulative persisting annual savings
- 9 for the year ending December 31, 2025;
- 10 (9) 2.3% deemed cumulative persisting annual savings
- 11 for the year ending December 31, 2026;
- 12 (10) 2.1% deemed cumulative persisting annual savings
- 13 for the year ending December 31, 2027;
- 14 (11) 1.8% deemed cumulative persisting annual savings
- 15 for the year ending December 31, 2028;
- 16 (12) 1.7% deemed cumulative persisting annual savings
- 17 for the year ending December 31, 2029; ~~and~~
- 18 (13) 1.5% deemed cumulative persisting annual savings
- 19 for the year ending December 31, 2030;~~;~~
- 20 (14) 1.3% deemed cumulative persisting annual savings
- 21 for the year ending December 31, 2031;
- 22 (15) 1.1% deemed cumulative persisting annual savings
- 23 for the year ending December 31, 2032;
- 24 (16) 0.9% deemed cumulative persisting annual savings
- 25 for the year ending December 31, 2033;
- 26 (17) 0.7% deemed cumulative persisting annual savings

1 for the year ending December 31, 2034;

2 (18) 0.5% deemed cumulative persisting annual savings
3 for the year ending December 31, 2035;

4 (19) 0.4% deemed cumulative persisting annual savings
5 for the year ending December 31, 2036;

6 (20) 0.3% deemed cumulative persisting annual savings
7 for the year ending December 31, 2037;

8 (21) 0.2% deemed cumulative persisting annual savings
9 for the year ending December 31, 2038;

10 (22) 0.1% deemed cumulative persisting annual savings
11 for the year ending December 31, 2039; and

12 (23) 0.0% deemed cumulative persisting annual savings
13 for the year ending December 31, 2040 and all subsequent
14 years.

15 For purposes of this Section, "cumulative persisting
16 annual savings" means the total electric energy savings in a
17 given year from measures installed in that year or in previous
18 years, but no earlier than January 1, 2012, that are still
19 operational and providing savings in that year because the
20 measures have not yet reached the end of their useful lives.

21 (b-5) Beginning in 2018, electric utilities subject to
22 this Section that serve more than 3,000,000 retail customers
23 in the State shall achieve the following cumulative persisting
24 annual savings goals, as modified by subsection (f) of this
25 Section and as compared to the deemed baseline of 88,000,000
26 MWhs of electric power and energy sales set forth in

1 subsection (b), ~~as reduced by the number of MWhs equal to the~~
2 ~~sum of the annual consumption of customers that are exempt~~
3 ~~from subsections (a) through (j) of this Section under~~
4 ~~subsection (1) of this Section as averaged across the calendar~~
5 ~~years 2014, 2015, and 2016,~~ through the implementation of
6 energy efficiency measures during the applicable year and in
7 prior years, but no earlier than January 1, 2012:

8 (1) 7.8% cumulative persisting annual savings for the
9 year ending December 31, 2018;

10 (2) 9.1% cumulative persisting annual savings for the
11 year ending December 31, 2019;

12 (3) 10.4% cumulative persisting annual savings for the
13 year ending December 31, 2020;

14 (4) 11.8% cumulative persisting annual savings for the
15 year ending December 31, 2021;

16 (5) 13.1% cumulative persisting annual savings for the
17 year ending December 31, 2022;

18 (6) 14.4% cumulative persisting annual savings for the
19 year ending December 31, 2023;

20 (7) 15.7% cumulative persisting annual savings for the
21 year ending December 31, 2024;

22 (8) 17% cumulative persisting annual savings for the
23 year ending December 31, 2025;

24 (9) 17.9% cumulative persisting annual savings for the
25 year ending December 31, 2026;

26 (10) 18.8% cumulative persisting annual savings for

1 the year ending December 31, 2027;

2 (11) 19.7% cumulative persisting annual savings for
3 the year ending December 31, 2028;

4 (12) 20.6% cumulative persisting annual savings for
5 the year ending December 31, 2029; and

6 (13) 21.5% cumulative persisting annual savings for
7 the year ending December 31, 2030.

8 No later than December 31, 2021, the Illinois Commerce
9 Commission shall establish additional cumulative persisting
10 annual savings goals for the years 2031 through 2035. No later
11 than December 31, 2024, the Illinois Commerce Commission shall
12 establish additional cumulative persisting annual savings
13 goals for the years 2036 through 2040. The Commission shall
14 also establish additional cumulative persisting annual savings
15 goals every 5 years thereafter to ensure utilities always have
16 goals that extend at least 11 years into the future. The
17 cumulative persisting annual savings goals beyond the year
18 2030 shall increase by 0.9 percentage points per year, absent
19 a Commission decision to initiate a proceeding to consider
20 establishing goals that increase by more or less than that
21 amount. Such a proceeding must be conducted in accordance with
22 the procedures described in subsection (f) of this Section. If
23 such a proceeding is initiated, the cumulative persisting
24 annual savings goals established by the Commission through
25 that proceeding shall reflect the Commission's best estimate
26 of the maximum amount of additional savings that are forecast

1 to be cost-effectively achievable unless such best estimates
2 would result in goals that represent less than 0.5 percentage
3 point annual increases in total cumulative persisting annual
4 savings. The Commission may only establish goals that
5 represent less than 0.5 percentage point annual increases in
6 cumulative persisting annual savings if it can demonstrate,
7 based on clear and convincing evidence and through independent
8 analysis, that 0.5 percentage point increases are not
9 cost-effectively achievable. The Commission shall inform its
10 decision based on an energy efficiency potential study that
11 conforms to the requirements of subsection (f-5) of this
12 Section.

13 (b-10) For purposes of this Section, electric utilities
14 subject to this Section that serve less than 3,000,000 retail
15 customers but more than 500,000 retail customers in the State
16 shall be deemed to have achieved a cumulative persisting
17 annual savings of 6.6% from energy efficiency measures and
18 programs implemented during the period beginning January 1,
19 2012 and ending December 31, 2017, which is based on the deemed
20 average weather normalized sales of electric power and energy
21 during calendar years 2014, 2015, and 2016 of 36,900,000 MWhs.
22 ~~For the purposes of this subsection (b-10) and subsection~~
23 ~~(b-15), the 36,900,000 MWhs of deemed electric power and~~
24 ~~energy sales shall be reduced by the number of MWhs equal to~~
25 ~~the sum of the annual consumption of customers that are exempt~~
26 ~~from subsections (a) through (j) of this Section under~~

1 ~~subsection (1) of this Section, as averaged across the~~
2 ~~calendar years 2014, 2015, and 2016.~~ After 2017, the deemed
3 value of cumulative persisting annual savings from energy
4 efficiency measures and programs implemented during the period
5 beginning January 1, 2012 and ending December 31, 2017, shall
6 be reduced each year, as follows, and the applicable value
7 shall be applied to and count toward the utility's achievement
8 of the cumulative persisting annual savings goals set forth in
9 subsection (b-15):

10 (1) 5.8% deemed cumulative persisting annual savings
11 for the year ending December 31, 2018;

12 (2) 5.2% deemed cumulative persisting annual savings
13 for the year ending December 31, 2019;

14 (3) 4.5% deemed cumulative persisting annual savings
15 for the year ending December 31, 2020;

16 (4) 4.0% deemed cumulative persisting annual savings
17 for the year ending December 31, 2021;

18 (5) 3.5% deemed cumulative persisting annual savings
19 for the year ending December 31, 2022;

20 (6) 3.1% deemed cumulative persisting annual savings
21 for the year ending December 31, 2023;

22 (7) 2.8% deemed cumulative persisting annual savings
23 for the year ending December 31, 2024;

24 (8) 2.5% deemed cumulative persisting annual savings
25 for the year ending December 31, 2025;

26 (9) 2.3% deemed cumulative persisting annual savings

1 for the year ending December 31, 2026;

2 (10) 2.1% deemed cumulative persisting annual savings
3 for the year ending December 31, 2027;

4 (11) 1.8% deemed cumulative persisting annual savings
5 for the year ending December 31, 2028;

6 (12) 1.7% deemed cumulative persisting annual savings
7 for the year ending December 31, 2029; ~~and~~

8 (13) 1.5% deemed cumulative persisting annual savings
9 for the year ending December 31, 2030;~~;~~

10 (14) 1.3% deemed cumulative persisting annual savings
11 for the year ending December 31, 2031;

12 (15) 1.1% deemed cumulative persisting annual savings
13 for the year ending December 31, 2032;

14 (16) 0.9% deemed cumulative persisting annual savings
15 for the year ending December 31, 2033;

16 (17) 0.7% deemed cumulative persisting annual savings
17 for the year ending December 31, 2034;

18 (18) 0.5% deemed cumulative persisting annual savings
19 for the year ending December 31, 2035;

20 (19) 0.4% deemed cumulative persisting annual savings
21 for the year ending December 31, 2036;

22 (20) 0.3% deemed cumulative persisting annual savings
23 for the year ending December 31, 2037;

24 (21) 0.2% deemed cumulative persisting annual savings
25 for the year ending December 31, 2038;

26 (22) 0.1% deemed cumulative persisting annual savings

1 for the year ending December 31, 2039; and

2 (23) 0.0% deemed cumulative persisting annual savings
3 for the year ending December 31, 2040 and all subsequent
4 years.

5 (b-15) Beginning in 2018, electric utilities subject to
6 this Section that serve less than 3,000,000 retail customers
7 but more than 500,000 retail customers in the State shall
8 achieve the following cumulative persisting annual savings
9 goals, ~~as modified by subsection (b-20) and subsection (f) of~~
10 ~~this Section and as compared to the deemed baseline as reduced~~
11 ~~by the number of MWhs equal to the sum of the annual~~
12 ~~consumption of customers that are exempt from subsections (a)~~
13 ~~through (j) of this Section under subsection (1) of this~~
14 ~~Section as averaged across the calendar years 2014, 2015, and~~
15 ~~2016,~~ through the implementation of energy efficiency measures
16 during the applicable year and in prior years, but no earlier
17 than January 1, 2012:

18 (1) 7.4% cumulative persisting annual savings for the
19 year ending December 31, 2018;

20 (2) 8.2% cumulative persisting annual savings for the
21 year ending December 31, 2019;

22 (3) 9.0% cumulative persisting annual savings for the
23 year ending December 31, 2020;

24 (4) 9.8% cumulative persisting annual savings for the
25 year ending December 31, 2021;

26 (5) 10.6% cumulative persisting annual savings for the

1 year ending December 31, 2022;

2 (6) 11.4% cumulative persisting annual savings for the
3 year ending December 31, 2023;

4 (7) 12.2% cumulative persisting annual savings for the
5 year ending December 31, 2024;

6 (8) 13% cumulative persisting annual savings for the
7 year ending December 31, 2025;

8 (9) 13.6% cumulative persisting annual savings for the
9 year ending December 31, 2026;

10 (10) 14.2% cumulative persisting annual savings for
11 the year ending December 31, 2027;

12 (11) 14.8% cumulative persisting annual savings for
13 the year ending December 31, 2028;

14 (12) 15.4% cumulative persisting annual savings for
15 the year ending December 31, 2029; and

16 (13) 16% cumulative persisting annual savings for the
17 year ending December 31, 2030.

18 No later than December 31, 2021, the Illinois Commerce
19 Commission shall establish additional cumulative persisting
20 annual savings goals for the years 2031 through 2035. No later
21 than December 31, 2024, the Illinois Commerce Commission shall
22 establish additional cumulative persisting annual savings
23 goals for the years 2036 through 2040. The Commission shall
24 also establish additional cumulative persisting annual savings
25 goals every 5 years thereafter to ensure utilities always have
26 goals that extend at least 11 years into the future. The

1 cumulative persisting annual savings goals beyond the year
2 2030 shall increase by 0.6 percentage points per year, absent
3 a Commission decision to initiate a proceeding to consider
4 establishing goals that increase by more or less than that
5 amount. Such a proceeding must be conducted in accordance with
6 the procedures described in subsection (f) of this Section. If
7 such a proceeding is initiated, the cumulative persisting
8 annual savings goals established by the Commission through
9 that proceeding shall reflect the Commission's best estimate
10 of the maximum amount of additional savings that are forecast
11 to be cost-effectively achievable unless such best estimates
12 would result in goals that represent less than 0.4 percentage
13 point annual increases in total cumulative persisting annual
14 savings. The Commission may only establish goals that
15 represent less than 0.4 percentage point annual increases in
16 cumulative persisting annual savings if it can demonstrate,
17 based on clear and convincing evidence and through independent
18 analysis, that 0.4 percentage point increases are not
19 cost-effectively achievable. The Commission shall inform its
20 decision based on an energy efficiency potential study that
21 conforms to the requirements of subsection (f-5) of this
22 Section.

23 ~~The difference between the cumulative persisting annual~~
24 ~~savings goal for the applicable calendar year and the~~
25 ~~cumulative persisting annual savings goal for the immediately~~
26 ~~preceding calendar year is 0.8% for the period of January 1,~~

1 ~~2018 through December 31, 2025 and 0.6% for the period of~~
2 ~~January 1, 2026 through December 31, 2030.~~

3 (b-20) Each electric utility subject to this Section may
4 include cost-effective voltage optimization measures in its
5 plans submitted under subsections (f) and (g) of this Section,
6 and the costs incurred by a utility to implement the measures
7 under a Commission-approved plan shall be recovered under the
8 provisions of Article IX or Section 16-108.5 of this Act. For
9 purposes of this Section, the measure life of voltage
10 optimization measures shall be 15 years. The measure life
11 period is independent of the depreciation rate of the voltage
12 optimization assets deployed. Utilities may claim savings from
13 voltage optimization on circuits for more than 15 years if
14 they can demonstrate that they have made additional
15 investments necessary to enable voltage optimization savings
16 to continue beyond 15 years. Such demonstrations must be
17 subject to the review of independent evaluation.

18 Within 270 days after June 1, 2017 (the effective date of
19 Public Act 99-906), an electric utility that serves less than
20 3,000,000 retail customers but more than 500,000 retail
21 customers in the State shall file a plan with the Commission
22 that identifies the cost-effective voltage optimization
23 investment the electric utility plans to undertake through
24 December 31, 2024. The Commission, after notice and hearing,
25 shall approve or approve with modification the plan within 120
26 days after the plan's filing and, in the order approving or

1 approving with modification the plan, the Commission shall
2 adjust the applicable cumulative persisting annual savings
3 goals set forth in subsection (b-15) to reflect any amount of
4 cost-effective energy savings approved by the Commission that
5 is greater than or less than the following cumulative
6 persisting annual savings values attributable to voltage
7 optimization for the applicable year:

8 (1) 0.0% of cumulative persisting annual savings for
9 the year ending December 31, 2018;

10 (2) 0.17% of cumulative persisting annual savings for
11 the year ending December 31, 2019;

12 (3) 0.17% of cumulative persisting annual savings for
13 the year ending December 31, 2020;

14 (4) 0.33% of cumulative persisting annual savings for
15 the year ending December 31, 2021;

16 (5) 0.5% of cumulative persisting annual savings for
17 the year ending December 31, 2022;

18 (6) 0.67% of cumulative persisting annual savings for
19 the year ending December 31, 2023;

20 (7) 0.83% of cumulative persisting annual savings for
21 the year ending December 31, 2024; and

22 (8) 1.0% of cumulative persisting annual savings for
23 the year ending December 31, 2025 and all subsequent
24 years.

25 (b-25) In the event an electric utility jointly offers an
26 energy efficiency measure or program with a gas utility under

1 plans approved under this Section and Section 8-104 of this
2 Act, the electric utility may continue offering the program,
3 including the gas energy efficiency measures, in the event the
4 gas utility discontinues funding the program. In that event,
5 the energy savings value associated with such other fuels
6 shall be converted to electric energy savings on an equivalent
7 Btu basis for the premises. However, the electric utility
8 shall prioritize programs for low-income residential customers
9 to the extent practicable. An electric utility may recover the
10 costs of offering the gas energy efficiency measures under
11 this subsection (b-25).

12 For those energy efficiency measures or programs that save
13 both electricity and other fuels but are not jointly offered
14 with a gas utility under plans approved under this Section and
15 Section 8-104 or not offered with an affiliated gas utility
16 under paragraph (6) of subsection (f) of Section 8-104 of this
17 Act, the electric utility may count savings of fuels other
18 than electricity toward the achievement of its annual savings
19 goal, and the energy savings value associated with such other
20 fuels shall be converted to electric energy savings on an
21 equivalent Btu basis at the premises.

22 In no event shall more than 10% of each year's applicable
23 annual total savings requirement ~~incremental goal~~ as defined
24 in paragraph (7.5) ~~(7)~~ of subsection (g) of this Section be met
25 through savings of fuels other than electricity.

26 (b-27) Beginning in 2022, an electric utility may offer

1 and promote measures that electrify space heating, water
2 heating, cooling, drying, cooking, industrial processes, and
3 other building and industrial end uses that would otherwise be
4 served by combustion of fossil fuel at the premises, provided
5 that the electrification measures reduce total energy
6 consumption at the premises. The electric utility may count
7 the reduction in energy consumption at the premises toward
8 achievement of its annual savings goals. The reduction in
9 energy consumption at the premises shall be calculated as the
10 difference between: (A) the reduction in Btu consumption of
11 fossil fuels as a result of electrification, converted to
12 kilowatt-hour equivalents by dividing by 3,412 Btu's per
13 kilowatt hour; and (B) the increase in kilowatt hours of
14 electricity consumption resulting from the displacement of
15 fossil fuel consumption as a result of electrification. An
16 electric utility may recover the costs of offering and
17 promoting electrification measures under this subsection
18 (b-27).

19 In no event shall electrification savings counted toward
20 each year's applicable annual total savings requirement, as
21 defined in paragraph (7.5) of subsection (g) of this Section,
22 be greater than:

23 (1) 5% per year for each year from 2022 through 2025;

24 (2) 10% per year for each year from 2026 through 2029;

25 and

26 (3) 15% per year for 2030 and all subsequent years.

1 In addition, a minimum of 25% of all electrification savings
2 counted toward a utility's applicable annual total savings
3 requirement must be from electrification of end uses in
4 low-income housing. The limitations on electrification savings
5 that may be counted toward a utility's annual savings goals
6 are separate from and in addition to the subsection (b-25)
7 limitations governing the counting of the other fuel savings
8 resulting from efficiency measures and programs.

9 As part of the annual informational filing to the
10 Commission that is required under paragraph (9) of subsection
11 (g) of this Section, each utility shall identify the specific
12 electrification measures offered under this subsection (b-27);
13 the quantity of each electrification measure that was
14 installed by its customers; the average total cost, average
15 utility cost, average reduction in fossil fuel consumption,
16 and average increase in electricity consumption associated
17 with each electrification measure; the portion of
18 installations of each electrification measure that were in
19 low-income single-family housing, low-income multifamily
20 housing, non-low-income single-family housing, non-low-income
21 multifamily housing, commercial buildings, and industrial
22 facilities; and the quantity of savings associated with each
23 measure category in each customer category that are being
24 counted toward the utility's applicable annual total savings
25 requirement. Prior to installing an electrification measure,
26 the utility shall provide a customer with an estimate of the

1 impact of the new measure on the customer's average monthly
2 electric bill and total annual energy expenses.

3 (c) Electric utilities shall be responsible for overseeing
4 the design, development, and filing of energy efficiency plans
5 with the Commission and may, as part of that implementation,
6 outsource various aspects of program development and
7 implementation. A minimum of 10%, for electric utilities that
8 serve more than 3,000,000 retail customers in the State, and a
9 minimum of 7%, for electric utilities that serve less than
10 3,000,000 retail customers but more than 500,000 retail
11 customers in the State, of the utility's entire portfolio
12 funding level for a given year shall be used to procure
13 cost-effective energy efficiency measures from units of local
14 government, municipal corporations, school districts, public
15 housing, and community college districts, provided that a
16 minimum percentage of available funds shall be used to procure
17 energy efficiency from public housing, which percentage shall
18 be equal to public housing's share of public building energy
19 consumption.

20 The utilities shall also implement energy efficiency
21 measures targeted at low-income households, which, for
22 purposes of this Section, shall be defined as households at or
23 below 80% of area median income, and expenditures to implement
24 the measures shall be no less than \$40,000,000 ~~\$25,000,000~~ per
25 year for electric utilities that serve more than 3,000,000
26 retail customers in the State and no less than \$13,000,000

1 ~~\$8,350,000~~ per year for electric utilities that serve less
2 than 3,000,000 retail customers but more than 500,000 retail
3 customers in the State. The ratio of spending on efficiency
4 programs targeted at low-income multifamily buildings to
5 spending on efficiency programs targeted at low-income
6 single-family buildings shall be designed to achieve levels of
7 savings from each building type that are approximately
8 proportional to the magnitude of cost-effective lifetime
9 savings potential in each building type. Investment in
10 low-income whole-building weatherization programs shall
11 constitute a minimum of 80% of a utility's total budget
12 specifically dedicated to serving low-income customers.

13 The utilities shall work to bundle low-income energy
14 efficiency offerings with other programs that serve low-income
15 households to maximize the benefits going to these households.
16 The utilities shall market and implement low-income energy
17 efficiency programs in coordination with low-income assistance
18 programs, Solar for All, and weatherization whenever
19 practicable. The program implementer shall walk the customer
20 through the enrollment process for any programs for which the
21 customer is eligible. The utilities shall also pilot targeting
22 customers with high arrearages, high energy intensity (ratio
23 of energy usage divided by home or unit square footage), or
24 energy assistance programs with energy efficiency offerings,
25 and then track reduction in arrearages as a result of the
26 targeting. This targeting and bundling of low-income energy

1 programs shall be offered to both low-income single-family and
2 multifamily customers (owners and residents).

3 The utilities shall invest in all health and safety
4 measures appropriate and necessary for comprehensively
5 weatherizing a home or multifamily building, and shall
6 implement a health and safety fund of 0.5 at least 15% of the
7 total income-qualified weatherization budget, for electric
8 utilities that serve more than 3,000,000 retail customers in
9 the State, and a minimum of 15% of the total portfolio budget,
10 for electric utilities that serve less than 3,000,000 retail
11 customers but more than 500,000 retail customers in the State,
12 of the utility's entire portfolio funding level for a given
13 year, that shall be used for the purpose of making grants for
14 technical assistance, construction, reconstruction,
15 improvement, or repair of buildings to facilitate their
16 participation in the energy efficiency programs targeted at
17 low-income single-family and multifamily households. These
18 funds may also be used for the purpose of making grants for
19 technical assistance, construction, reconstruction,
20 improvement, or repair of the following buildings to
21 facilitate their participation in the energy efficiency
22 programs created by this Section: (1) buildings that are owned
23 or operated by registered 501(c)(3) public charities; and (2)
24 day care centers, day care homes, or group day care homes, as
25 defined under 89 Ill. Adm. Code Part 406, 407, or 408,
26 respectively. Utilities shall also ensure that thermal

1 insulating materials used for energy efficiency programs
2 targeted at low-income single-family and multifamily
3 households do not contain any substance that is a Category 1
4 respiratory sensitizer as defined by Appendix A to 29 CFR
5 1910.1200 (Health Hazard Criteria: A.4 Respiratory or Skin
6 Sensitization) that was intentionally added or is present at
7 greater than 0.1% (1000 ppm) by weight in the product.

8 Each electric utility shall assess opportunities to
9 implement cost-effective energy efficiency measures and
10 programs through a public housing authority or authorities
11 located in its service territory. If such opportunities are
12 identified, the utility shall propose such measures and
13 programs to address the opportunities. Expenditures to address
14 such opportunities shall be credited toward the minimum
15 procurement and expenditure requirements set forth in this
16 subsection (c).

17 Implementation of energy efficiency measures and programs
18 targeted at low-income households should be contracted, when
19 it is practicable, to independent third parties that have
20 demonstrated capabilities to serve such households, with a
21 preference for not-for-profit entities and government agencies
22 that have existing relationships with or experience serving
23 low-income communities in the State.

24 Each electric utility shall develop and implement
25 reporting procedures that address and assist in determining
26 the amount of energy savings that can be applied to the

1 low-income procurement and expenditure requirements set forth
2 in this subsection (c). Each electric utility shall also track
3 the types and quantities or volumes of insulation and air
4 sealing materials, and their associated energy saving
5 benefits, installed in energy efficiency programs targeted at
6 low-income single-family and multifamily households.

7 The electric utilities shall participate in ~~also convene~~ a
8 low-income energy efficiency accountability advisory committee
9 ("the committee"), which will directly inform ~~to assist in~~ the
10 design, implementation, and evaluation of the low-income and
11 public-housing energy efficiency programs. The committee shall
12 be comprised of the electric utilities subject to the
13 requirements of this Section, the gas utilities subject to the
14 requirements of Section 8-104.1 ~~8-104~~ of this Act, the
15 utilities' low-income energy efficiency implementation
16 contractors, nonprofit organizations, community action
17 agencies, advocacy groups, State and local governmental
18 agencies, public-housing organizations, and representatives of
19 community-based organizations, especially those living in or
20 working with environmental justice communities and BIPOC
21 communities. The committee shall be composed of 2
22 geographically differentiated subcommittees: one for
23 stakeholders in northern Illinois and one for stakeholders in
24 central and southern Illinois. The subcommittees shall meet
25 together at least twice per year.

26 There shall be one statewide leadership committee led by

1 and composed of community-based organizations that are
2 representative of BIPOC and environmental justice communities
3 and that includes equitable representation from BIPOC
4 communities. The leadership committee shall be composed of an
5 equal number of representatives from the 2 subcommittees. The
6 subcommittees shall address specific programs and issues, with
7 the leadership committee convening targeted workgroups as
8 needed. The leadership committee may elect to work with an
9 independent facilitator to solicit and organize feedback,
10 recommendations and meeting participation from a wide variety
11 of community-based stakeholders. If a facilitator is used,
12 they shall be fair and responsive to the needs of all
13 stakeholders involved in the committee.

14 All committee meetings must be accessible, with rotating
15 locations if meetings are held in-person, virtual
16 participation options, and materials and agendas circulated in
17 advance.

18 There shall also be opportunities for direct input by
19 committee members outside of committee meetings, such as via
20 individual meetings, surveys, emails and calls, to ensure
21 robust participation by stakeholders with limited capacity and
22 ability to attend committee meetings. Committee meetings shall
23 emphasize opportunities to bundle and coordinate delivery of
24 low-income energy efficiency with other programs that serve
25 low-income communities, such as Solar for All and bill payment
26 assistance programs. Meetings shall include educational

1 opportunities for stakeholders to learn more about these
2 additional offerings, and the committee shall assist in
3 figuring out the best methods for coordinated delivery and
4 implementation of offerings when serving low-income
5 communities. The committee shall directly and equitably
6 influence and inform utility low-income and public-housing
7 energy efficiency programs and priorities. Participating
8 utilities shall implement recommendations from the committee
9 whenever possible.

10 Participating utilities shall track and report how input
11 from the committee has led to new approaches and changes in
12 their energy efficiency portfolios. This reporting shall occur
13 at committee meetings and in quarterly energy efficiency
14 reports to the Stakeholder Advisory Group and Illinois
15 Commerce Commission, and other relevant reporting mechanisms.
16 Participating utilities shall also report on relevant equity
17 data and metrics requested by the committee, such as energy
18 burden data, geographic, racial, and other relevant
19 demographic data on where programs are being delivered and
20 what populations programs are serving.

21 The Illinois Commerce Commission shall oversee and have
22 relevant staff participate in the committee. The committee
23 shall have a budget of 0.25% of each utility's entire
24 efficiency portfolio funding for a given year. The budget
25 shall be overseen by the Commission. The budget shall be used
26 to provide grants for community-based organizations serving on

1 the leadership committee, stipends for community-based
2 organizations participating in the committee, grants for
3 community-based organizations to do energy efficiency outreach
4 and education, and relevant meeting needs as determined by the
5 leadership committee. The education and outreach shall
6 include, but is not limited to, basic energy efficiency
7 education, information about low-income energy efficiency
8 programs, and information on the committee's purpose,
9 structure, and activities.

10 (d) Notwithstanding any other provision of law to the
11 contrary, a utility providing approved energy efficiency
12 measures and, if applicable, demand-response measures in the
13 State shall be permitted to recover all reasonable and
14 prudently incurred costs of those measures from all retail
15 customers, except as provided in subsection (1) of this
16 Section, as follows, provided that nothing in this subsection

17 (d) permits the double recovery of such costs from customers:

18 (1) The utility may recover its costs through an
19 automatic adjustment clause tariff filed with and approved
20 by the Commission. The tariff shall be established outside
21 the context of a general rate case. Each year the
22 Commission shall initiate a review to reconcile any
23 amounts collected with the actual costs and to determine
24 the required adjustment to the annual tariff factor to
25 match annual expenditures. To enable the financing of the
26 incremental capital expenditures, including regulatory

1 assets, for electric utilities that serve less than
2 3,000,000 retail customers but more than 500,000 retail
3 customers in the State, the utility's actual year-end
4 capital structure that includes a common equity ratio,
5 excluding goodwill, of up to and including 50% of the
6 total capital structure shall be deemed reasonable and
7 used to set rates.

8 (2) A utility may recover its costs through an energy
9 efficiency formula rate approved by the Commission under a
10 filing under subsections (f) and (g) of this Section,
11 which shall specify the cost components that form the
12 basis of the rate charged to customers with sufficient
13 specificity to operate in a standardized manner and be
14 updated annually with transparent information that
15 reflects the utility's actual costs to be recovered during
16 the applicable rate year, which is the period beginning
17 with the first billing day of January and extending
18 through the last billing day of the following December.
19 The energy efficiency formula rate shall be implemented
20 through a tariff filed with the Commission under
21 subsections (f) and (g) of this Section that is consistent
22 with the provisions of this paragraph (2) and that shall
23 be applicable to all delivery services customers. The
24 Commission shall conduct an investigation of the tariff in
25 a manner consistent with the provisions of this paragraph
26 (2), subsections (f) and (g) of this Section, and the

1 provisions of Article IX of this Act to the extent they do
2 not conflict with this paragraph (2). The energy
3 efficiency formula rate approved by the Commission shall
4 remain in effect at the discretion of the utility and
5 shall do the following:

6 (A) Provide for the recovery of the utility's
7 actual costs incurred under this Section that are
8 prudently incurred and reasonable in amount consistent
9 with Commission practice and law. The sole fact that a
10 cost differs from that incurred in a prior calendar
11 year or that an investment is different from that made
12 in a prior calendar year shall not imply the
13 imprudence or unreasonableness of that cost or
14 investment.

15 (B) Reflect the utility's actual year-end capital
16 structure for the applicable calendar year, excluding
17 goodwill, subject to a determination of prudence and
18 reasonableness consistent with Commission practice and
19 law. To enable the financing of the incremental
20 capital expenditures, including regulatory assets, for
21 electric utilities that serve less than 3,000,000
22 retail customers but more than 500,000 retail
23 customers in the State, a participating electric
24 utility's actual year-end capital structure that
25 includes a common equity ratio, excluding goodwill, of
26 up to and including 50% of the total capital structure

1 shall be deemed reasonable and used to set rates.

2 (C) Include a cost of equity, which shall be
3 calculated as the sum of the following:

4 (i) the average for the applicable calendar
5 year of the monthly average yields of 30-year U.S.
6 Treasury bonds published by the Board of Governors
7 of the Federal Reserve System in its weekly H.15
8 Statistical Release or successor publication; and

9 (ii) 580 basis points.

10 At such time as the Board of Governors of the
11 Federal Reserve System ceases to include the monthly
12 average yields of 30-year U.S. Treasury bonds in its
13 weekly H.15 Statistical Release or successor
14 publication, the monthly average yields of the U.S.
15 Treasury bonds then having the longest duration
16 published by the Board of Governors in its weekly H.15
17 Statistical Release or successor publication shall
18 instead be used for purposes of this paragraph (2).

19 (D) Permit and set forth protocols, subject to a
20 determination of prudence and reasonableness
21 consistent with Commission practice and law, for the
22 following:

23 (i) recovery of incentive compensation expense
24 that is based on the achievement of operational
25 metrics, including metrics related to budget
26 controls, outage duration and frequency, safety,

1 customer service, efficiency and productivity, and
2 environmental compliance; however, this protocol
3 shall not apply if such expense related to costs
4 incurred under this Section is recovered under
5 Article IX or Section 16-108.5 of this Act;
6 incentive compensation expense that is based on
7 net income or an affiliate's earnings per share
8 shall not be recoverable under the energy
9 efficiency formula rate;

10 (ii) recovery of pension and other
11 post-employment benefits expense, provided that
12 such costs are supported by an actuarial study;
13 however, this protocol shall not apply if such
14 expense related to costs incurred under this
15 Section is recovered under Article IX or Section
16 16-108.5 of this Act;

17 (iii) recovery of existing regulatory assets
18 over the periods previously authorized by the
19 Commission;

20 (iv) as described in subsection (e),
21 amortization of costs incurred under this Section;
22 and

23 (v) projected, weather normalized billing
24 determinants for the applicable rate year.

25 (E) Provide for an annual reconciliation, as
26 described in paragraph (3) of this subsection (d),

1 less any deferred taxes related to the reconciliation,
2 with interest at an annual rate of return equal to the
3 utility's weighted average cost of capital, including
4 a revenue conversion factor calculated to recover or
5 refund all additional income taxes that may be payable
6 or receivable as a result of that return, of the energy
7 efficiency revenue requirement reflected in rates for
8 each calendar year, beginning with the calendar year
9 in which the utility files its energy efficiency
10 formula rate tariff under this paragraph (2), with
11 what the revenue requirement would have been had the
12 actual cost information for the applicable calendar
13 year been available at the filing date.

14 The utility shall file, together with its tariff, the
15 projected costs to be incurred by the utility during the
16 rate year under the utility's multi-year plan approved
17 under subsections (f) and (g) of this Section, including,
18 but not limited to, the projected capital investment costs
19 and projected regulatory asset balances with
20 correspondingly updated depreciation and amortization
21 reserves and expense, that shall populate the energy
22 efficiency formula rate and set the initial rates under
23 the formula.

24 The Commission shall review the proposed tariff in
25 conjunction with its review of a proposed multi-year plan,
26 as specified in paragraph (5) of subsection (g) of this

1 Section. The review shall be based on the same evidentiary
2 standards, including, but not limited to, those concerning
3 the prudence and reasonableness of the costs incurred by
4 the utility, the Commission applies in a hearing to review
5 a filing for a general increase in rates under Article IX
6 of this Act. The initial rates shall take effect beginning
7 with the January monthly billing period following the
8 Commission's approval.

9 The tariff's rate design and cost allocation across
10 customer classes shall be consistent with the utility's
11 automatic adjustment clause tariff in effect on June 1,
12 2017 (the effective date of Public Act 99-906); however,
13 the Commission may revise the tariff's rate design and
14 cost allocation in subsequent proceedings under paragraph
15 (3) of this subsection (d).

16 If the energy efficiency formula rate is terminated,
17 the then current rates shall remain in effect until such
18 time as the energy efficiency costs are incorporated into
19 new rates that are set under this subsection (d) or
20 Article IX of this Act, subject to retroactive rate
21 adjustment, with interest, to reconcile rates charged with
22 actual costs.

23 (3) The provisions of this paragraph (3) shall only
24 apply to an electric utility that has elected to file an
25 energy efficiency formula rate under paragraph (2) of this
26 subsection (d). Subsequent to the Commission's issuance of

1 an order approving the utility's energy efficiency formula
2 rate structure and protocols, and initial rates under
3 paragraph (2) of this subsection (d), the utility shall
4 file, on or before June 1 of each year, with the Chief
5 Clerk of the Commission its updated cost inputs to the
6 energy efficiency formula rate for the applicable rate
7 year and the corresponding new charges, as well as the
8 information described in paragraph (9) of subsection (g)
9 of this Section. Each such filing shall conform to the
10 following requirements and include the following
11 information:

12 (A) The inputs to the energy efficiency formula
13 rate for the applicable rate year shall be based on the
14 projected costs to be incurred by the utility during
15 the rate year under the utility's multi-year plan
16 approved under subsections (f) and (g) of this
17 Section, including, but not limited to, projected
18 capital investment costs and projected regulatory
19 asset balances with correspondingly updated
20 depreciation and amortization reserves and expense.
21 The filing shall also include a reconciliation of the
22 energy efficiency revenue requirement that was in
23 effect for the prior rate year (as set by the cost
24 inputs for the prior rate year) with the actual
25 revenue requirement for the prior rate year
26 (determined using a year-end rate base) that uses

1 amounts reflected in the applicable FERC Form 1 that
2 reports the actual costs for the prior rate year. Any
3 over-collection or under-collection indicated by such
4 reconciliation shall be reflected as a credit against,
5 or recovered as an additional charge to, respectively,
6 with interest calculated at a rate equal to the
7 utility's weighted average cost of capital approved by
8 the Commission for the prior rate year, the charges
9 for the applicable rate year. Such over-collection or
10 under-collection shall be adjusted to remove any
11 deferred taxes related to the reconciliation, for
12 purposes of calculating interest at an annual rate of
13 return equal to the utility's weighted average cost of
14 capital approved by the Commission for the prior rate
15 year, including a revenue conversion factor calculated
16 to recover or refund all additional income taxes that
17 may be payable or receivable as a result of that
18 return. Each reconciliation shall be certified by the
19 participating utility in the same manner that FERC
20 Form 1 is certified. The filing shall also include the
21 charge or credit, if any, resulting from the
22 calculation required by subparagraph (E) of paragraph
23 (2) of this subsection (d).

24 Notwithstanding any other provision of law to the
25 contrary, the intent of the reconciliation is to
26 ultimately reconcile both the revenue requirement

1 reflected in rates for each calendar year, beginning
2 with the calendar year in which the utility files its
3 energy efficiency formula rate tariff under paragraph
4 (2) of this subsection (d), with what the revenue
5 requirement determined using a year-end rate base for
6 the applicable calendar year would have been had the
7 actual cost information for the applicable calendar
8 year been available at the filing date.

9 For purposes of this Section, "FERC Form 1" means
10 the Annual Report of Major Electric Utilities,
11 Licensees and Others that electric utilities are
12 required to file with the Federal Energy Regulatory
13 Commission under the Federal Power Act, Sections 3,
14 4(a), 304 and 209, modified as necessary to be
15 consistent with 83 Ill. Admin. Code Part 415 as of May
16 1, 2011. Nothing in this Section is intended to allow
17 costs that are not otherwise recoverable to be
18 recoverable by virtue of inclusion in FERC Form 1.

19 (B) The new charges shall take effect beginning on
20 the first billing day of the following January billing
21 period and remain in effect through the last billing
22 day of the next December billing period regardless of
23 whether the Commission enters upon a hearing under
24 this paragraph (3).

25 (C) The filing shall include relevant and
26 necessary data and documentation for the applicable

1 rate year. Normalization adjustments shall not be
2 required.

3 Within 45 days after the utility files its annual
4 update of cost inputs to the energy efficiency formula
5 rate, the Commission shall with reasonable notice,
6 initiate a proceeding concerning whether the projected
7 costs to be incurred by the utility and recovered during
8 the applicable rate year, and that are reflected in the
9 inputs to the energy efficiency formula rate, are
10 consistent with the utility's approved multi-year plan
11 under subsections (f) and (g) of this Section and whether
12 the costs incurred by the utility during the prior rate
13 year were prudent and reasonable. The Commission shall
14 also have the authority to investigate the information and
15 data described in paragraph (9) of subsection (g) of this
16 Section, including the proposed adjustment to the
17 utility's return on equity component of its weighted
18 average cost of capital. During the course of the
19 proceeding, each objection shall be stated with
20 particularity and evidence provided in support thereof,
21 after which the utility shall have the opportunity to
22 rebut the evidence. Discovery shall be allowed consistent
23 with the Commission's Rules of Practice, which Rules of
24 Practice shall be enforced by the Commission or the
25 assigned administrative law judge. The Commission shall
26 apply the same evidentiary standards, including, but not

1 limited to, those concerning the prudence and
2 reasonableness of the costs incurred by the utility,
3 during the proceeding as it would apply in a proceeding to
4 review a filing for a general increase in rates under
5 Article IX of this Act. The Commission shall not, however,
6 have the authority in a proceeding under this paragraph
7 (3) to consider or order any changes to the structure or
8 protocols of the energy efficiency formula rate approved
9 under paragraph (2) of this subsection (d). In a
10 proceeding under this paragraph (3), the Commission shall
11 enter its order no later than the earlier of 195 days after
12 the utility's filing of its annual update of cost inputs
13 to the energy efficiency formula rate or December 15. The
14 utility's proposed return on equity calculation, as
15 described in paragraphs (7) through (9) of subsection (g)
16 of this Section, shall be deemed the final, approved
17 calculation on December 15 of the year in which it is filed
18 unless the Commission enters an order on or before
19 December 15, after notice and hearing, that modifies such
20 calculation consistent with this Section. The Commission's
21 determinations of the prudence and reasonableness of the
22 costs incurred, and determination of such return on equity
23 calculation, for the applicable calendar year shall be
24 final upon entry of the Commission's order and shall not
25 be subject to reopening, reexamination, or collateral
26 attack in any other Commission proceeding, case, docket,

1 order, rule, or regulation; however, nothing in this
2 paragraph (3) shall prohibit a party from petitioning the
3 Commission to rehear or appeal to the courts the order
4 under the provisions of this Act.

5 (e) Beginning on June 1, 2017 (the effective date of
6 Public Act 99-906), a utility subject to the requirements of
7 this Section may elect to defer, as a regulatory asset, up to
8 the full amount of its expenditures incurred under this
9 Section for each annual period, including, but not limited to,
10 any expenditures incurred above the funding level set by
11 subsection (f) of this Section for a given year. The total
12 expenditures deferred as a regulatory asset in a given year
13 shall be amortized and recovered over a period that is equal to
14 the weighted average of the energy efficiency measure lives
15 implemented for that year that are reflected in the regulatory
16 asset. The unamortized balance shall be recognized as of
17 December 31 for a given year. The utility shall also earn a
18 return on the total of the unamortized balances of all of the
19 energy efficiency regulatory assets, less any deferred taxes
20 related to those unamortized balances, at an annual rate equal
21 to the utility's weighted average cost of capital that
22 includes, based on a year-end capital structure, the utility's
23 actual cost of debt for the applicable calendar year and a cost
24 of equity, which shall be calculated as the sum of the (i) the
25 average for the applicable calendar year of the monthly
26 average yields of 30-year U.S. Treasury bonds published by the

1 Board of Governors of the Federal Reserve System in its weekly
2 H.15 Statistical Release or successor publication; and (ii)
3 580 basis points, including a revenue conversion factor
4 calculated to recover or refund all additional income taxes
5 that may be payable or receivable as a result of that return.
6 Capital investment costs shall be depreciated and recovered
7 over their useful lives consistent with generally accepted
8 accounting principles. The weighted average cost of capital
9 shall be applied to the capital investment cost balance, less
10 any accumulated depreciation and accumulated deferred income
11 taxes, as of December 31 for a given year.

12 When an electric utility creates a regulatory asset under
13 the provisions of this Section, the costs are recovered over a
14 period during which customers also receive a benefit which is
15 in the public interest. Accordingly, it is the intent of the
16 General Assembly that an electric utility that elects to
17 create a regulatory asset under the provisions of this Section
18 shall recover all of the associated costs as set forth in this
19 Section. After the Commission has approved the prudence and
20 reasonableness of the costs that comprise the regulatory
21 asset, the electric utility shall be permitted to recover all
22 such costs, and the value and recoverability through rates of
23 the associated regulatory asset shall not be limited, altered,
24 impaired, or reduced.

25 (f) Beginning in 2017, each electric utility shall file an
26 energy efficiency plan with the Commission to meet the energy

1 efficiency standards for the next applicable multi-year period
2 beginning January 1 of the year following the filing,
3 according to the schedule set forth in paragraphs (1) through
4 (3) of this subsection (f). If a utility does not file such a
5 plan on or before the applicable filing deadline for the plan,
6 it shall face a penalty of \$100,000 per day until the plan is
7 filed.

8 (1) No later than 30 days after June 1, 2017 (the
9 effective date of Public Act 99-906), each electric
10 utility shall file a 4-year energy efficiency plan
11 commencing on January 1, 2018 that is designed to achieve
12 the cumulative persisting annual savings goals specified
13 in paragraphs (1) through (4) of subsection (b-5) of this
14 Section or in paragraphs (1) through (4) of subsection
15 (b-15) of this Section, as applicable, through
16 implementation of energy efficiency measures; however, the
17 goals may be reduced if the utility's expenditures are
18 limited pursuant to subsection (m) of this Section or, for
19 a utility that serves less than 3,000,000 retail
20 customers, if each of the following conditions are met:
21 (A) the plan's analysis and forecasts of the utility's
22 ability to acquire energy savings demonstrate that
23 achievement of such goals is not cost effective; and (B)
24 the amount of energy savings achieved by the utility as
25 determined by the independent evaluator for the most
26 recent year for which savings have been evaluated

1 preceding the plan filing was less than the average annual
2 amount of savings required to achieve the goals for the
3 applicable 4-year plan period. Except as provided in
4 subsection (m) of this Section, annual increases in
5 cumulative persisting annual savings goals during the
6 applicable 4-year plan period shall not be reduced to
7 amounts that are less than the maximum amount of
8 cumulative persisting annual savings that is forecast to
9 be cost-effectively achievable during the 4-year plan
10 period. The Commission shall review any proposed goal
11 reduction as part of its review and approval of the
12 utility's proposed plan.

13 (2) No later than March 1, 2021, each electric utility
14 shall file a 4-year energy efficiency plan commencing on
15 January 1, 2022 that is designed to achieve the cumulative
16 persisting annual savings goals specified in paragraphs
17 (5) through (8) of subsection (b-5) of this Section or in
18 paragraphs (5) through (8) of subsection (b-15) of this
19 Section, as applicable, through implementation of energy
20 efficiency measures; however, the goals may be reduced if
21 either (1) clear and convincing evidence demonstrates,
22 through independent analysis, that the expenditure limits
23 in subsection (m) of this Section preclude full
24 achievement of the goals or (2) ~~the utility's expenditures~~
25 ~~are limited pursuant to subsection (m) of this Section or,~~
26 each of the following conditions are met: (A) the plan's

1 analysis and forecasts of the utility's ability to acquire
2 energy savings demonstrate by clear and convincing
3 evidence and through independent analysis that achievement
4 of such goals is not cost effective; and (B) the amount of
5 energy savings achieved by the utility as determined by
6 the independent evaluator for the most recent year for
7 which savings have been evaluated preceding the plan
8 filing was less than the average annual amount of savings
9 required to achieve the goals for the applicable 4-year
10 plan period. If there is not clear and convincing evidence
11 that achieving the savings goals specified in paragraph
12 (b-5) or (b-15) of this Section is possible both
13 cost-effectively and within the expenditure limits in
14 subsection (m), such savings goals shall not be reduced.
15 Except as provided in subsection (m) of this Section,
16 annual increases in cumulative persisting annual savings
17 goals during the applicable 4-year plan period shall not
18 be reduced to amounts that are less than the maximum
19 amount of cumulative persisting annual savings that is
20 forecast to be cost-effectively achievable during the
21 4-year plan period. The Commission shall review any
22 proposed goal reduction as part of its review and approval
23 of the utility's proposed plan, taking into account the
24 results of the potential study required by subsection
25 (f-5) of this Section.

26 (3) No later than March 1, 2025, each electric utility

1 shall file a 4-year ~~5-year~~ energy efficiency plan
2 commencing on January 1, 2026 that is designed to achieve
3 the cumulative persisting annual savings goals specified
4 in paragraphs (9) through (12) ~~(13)~~ of subsection (b-5) of
5 this Section or in paragraphs (9) through (12) ~~(13)~~ of
6 subsection (b-15) of this Section, as applicable, through
7 implementation of energy efficiency measures; however, the
8 goals may be reduced if either (1) clear and convincing
9 evidence demonstrates, through independent analysis, that
10 the expenditure limits in subsection (m) of this Section
11 preclude full achievement of the goals or (2) the
12 utility's expenditures are limited pursuant to subsection
13 (m) of this Section or, each of the following conditions
14 are met: (A) the plan's analysis and forecasts of the
15 utility's ability to acquire energy savings demonstrate by
16 clear and convincing evidence and through independent
17 analysis that achievement of such goals is not cost
18 effective; and (B) the amount of energy savings achieved
19 by the utility as determined by the independent evaluator
20 for the most recent year for which savings have been
21 evaluated preceding the plan filing was less than the
22 average annual amount of savings required to achieve the
23 goals for the applicable 4-year ~~5-year~~ plan period. If
24 there is not clear and convincing evidence that achieving
25 the savings goals specified in paragraphs (b-5) or (b-15)
26 of this Section is possible both cost-effectively and

1 within the expenditure limits in subsection (m), such
2 savings goals shall not be reduced. Except as provided in
3 subsection (m) of this Section, annual increases in
4 cumulative persisting annual savings goals during the
5 applicable 4-year ~~5-year~~ plan period shall not be reduced
6 to amounts that are less than the maximum amount of
7 cumulative persisting annual savings that is forecast to
8 be cost-effectively achievable during the 4-year ~~5-year~~
9 plan period. The Commission shall review any proposed goal
10 reduction as part of its review and approval of the
11 utility's proposed plan, taking into account the results
12 of the potential study required by subsection (f-5) of
13 this Section.

14 (4) No later than March 1, 2029, and every 4 years
15 thereafter, each electric utility shall file a 4-year
16 energy efficiency plan commencing on January 1, 2030, and
17 every 4 years thereafter, respectively, that is designed
18 to achieve the cumulative persisting annual savings goals
19 established by the Illinois Commerce Commission pursuant
20 to direction of subsections (b-5) and (b-15) of this
21 Section, as applicable, through implementation of energy
22 efficiency measures; however, the goals may be reduced if
23 either (1) clear and convincing evidence and independent
24 analysis demonstrates that the expenditure limits in
25 subsection (m) of this Section preclude full achievement
26 of the goals or (2) each of the following conditions are

1 met: (A) the plan's analysis and forecasts of the
2 utility's ability to acquire energy savings demonstrate by
3 clear and convincing evidence and through independent
4 analysis that achievement of such goals is not
5 cost-effective; and (B) the amount of energy savings
6 achieved by the utility as determined by the independent
7 evaluator for the most recent year for which savings have
8 been evaluated preceding the plan filing was less than the
9 average annual amount of savings required to achieve the
10 goals for the applicable 4-year plan period. If there is
11 not clear and convincing evidence that achieving the
12 savings goals specified in paragraphs (b-5) or (b-15) of
13 this Section is possible both cost-effectively and within
14 the expenditure limits in subsection (m), such savings
15 goals shall not be reduced. Except as provided in
16 subsection (m) of this Section, annual increases in
17 cumulative persisting annual savings goals during the
18 applicable 4-year plan period shall not be reduced to
19 amounts that are less than the maximum amount of
20 cumulative persisting annual savings that is forecast to
21 be cost-effectively achievable during the 4-year plan
22 period. The Commission shall review any proposed goal
23 reduction as part of its review and approval of the
24 utility's proposed plan.

25 Each utility's plan shall set forth the utility's
26 proposals to meet the energy efficiency standards identified

1 in subsection (b-5) or (b-15), as applicable and as such
2 standards may have been modified under this subsection (f),
3 taking into account the unique circumstances of the utility's
4 service territory and results of an energy efficiency
5 potential study as described in subsection (f-5) of this
6 Section. For those plans commencing on January 1, 2018, the
7 Commission shall seek public comment on the utility's plan and
8 shall issue an order approving or disapproving each plan no
9 later than 105 days after June 1, 2017 (the effective date of
10 Public Act 99-906). For those plans commencing after December
11 31, 2021, the Commission shall seek public comment on the
12 utility's plan and shall issue an order approving or
13 disapproving each plan within 6 months after its submission.
14 If the Commission disapproves a plan, the Commission shall,
15 within 30 days, describe in detail the reasons for the
16 disapproval and describe a path by which the utility may file a
17 revised draft of the plan to address the Commission's concerns
18 satisfactorily. If the utility does not refile with the
19 Commission within 60 days, the utility shall be subject to
20 penalties at a rate of \$100,000 per day until the plan is
21 filed. This process shall continue, and penalties shall
22 accrue, until the utility has successfully filed a portfolio
23 of energy efficiency and demand-response measures. Penalties
24 shall be deposited into the Energy Efficiency Trust Fund.

25 (g) In submitting proposed plans and funding levels under
26 subsection (f) of this Section to meet the savings goals

1 identified in subsection (b-5) or (b-15) of this Section, as
2 applicable, the utility shall:

3 (1) Demonstrate that its proposed energy efficiency
4 measures will achieve the applicable requirements that are
5 identified in subsection (b-5) or (b-15) of this Section,
6 as modified by subsection (f) of this Section.

7 (2) (Blank). ~~Present specific proposals to implement~~
8 ~~new building and appliance standards that have been placed~~
9 ~~into effect.~~

10 (2.5) Demonstrate consideration of program options for
11 (A) advancing new building codes, appliance standards, and
12 municipal regulations governing existing and new building
13 efficiency improvements and (B) supporting efforts to
14 improve compliance with new building codes, appliance
15 standards and municipal regulations, as potentially
16 cost-effective means of acquiring energy savings to count
17 toward savings goals.

18 (3) Demonstrate that its overall portfolio of
19 measures, not including low-income programs described in
20 subsection (c) of this Section, is cost-effective using
21 the total resource cost test or complies with paragraphs
22 (1) through (3) of subsection (f) of this Section and
23 represents a diverse cross-section of opportunities for
24 customers of all rate classes, other than those customers
25 described in subsection (1) of this Section, to
26 participate in the programs. Individual measures need not

1 be cost effective.

2 (3.5) Demonstrate that the utility's plan integrates
3 the delivery of energy efficiency programs with natural
4 gas efficiency programs, programs promoting distributed
5 solar, programs promoting demand response and other
6 efforts to address bill payment issues, including, but not
7 limited to, LIHEAP and the Percentage of Income Payment
8 Plan, to the extent such integration is practical and has
9 the potential to enhance customer engagement, minimize
10 market confusion, or reduce administrative costs.

11 (4) Present a third-party energy efficiency
12 implementation program subject to the following
13 requirements:

14 (A) beginning with the year commencing January 1,
15 2019, electric utilities that serve more than
16 3,000,000 retail customers in the State shall fund
17 third-party energy efficiency programs in an amount
18 that is no less than \$25,000,000 per year, and
19 electric utilities that serve less than 3,000,000
20 retail customers but more than 500,000 retail
21 customers in the State shall fund third-party energy
22 efficiency programs in an amount that is no less than
23 \$8,350,000 per year;

24 (B) during 2018, the utility shall conduct a
25 solicitation process for purposes of requesting
26 proposals from third-party vendors for those

1 third-party energy efficiency programs to be offered
2 during one or more of the years commencing January 1,
3 2019, January 1, 2020, and January 1, 2021; for those
4 multi-year plans commencing on January 1, 2022 and
5 January 1, 2026, the utility shall conduct a
6 solicitation process during 2021 and 2025,
7 respectively, for purposes of requesting proposals
8 from third-party vendors for those third-party energy
9 efficiency programs to be offered during one or more
10 years of the respective multi-year plan period; for
11 each solicitation process, the utility shall identify
12 the sector, technology, or geographical area for which
13 it is seeking requests for proposals; the solicitation
14 process must be either for programs that fill gaps in
15 the utility's program portfolio and for programs that
16 target low-income customers, business sectors,
17 building types, geographies, or other specific parts
18 of its customer base with initiatives that would be
19 more effective at reaching these customer segments
20 than the utilities' programs filed in its energy
21 efficiency plans;

22 (C) the utility shall propose the bidder
23 qualifications, performance measurement process, and
24 contract structure, which must include a performance
25 payment mechanism and general terms and conditions;
26 the proposed qualifications, process, and structure

1 shall be subject to Commission approval; and

2 (D) the utility shall retain an independent third
3 party to score the proposals received through the
4 solicitation process described in this paragraph (4),
5 rank them according to their cost per lifetime
6 kilowatt-hours saved, and assemble the portfolio of
7 third-party programs.

8 The electric utility shall recover all costs
9 associated with Commission-approved, third-party
10 administered programs regardless of the success of those
11 programs.

12 (4.5) Implement cost-effective demand-response
13 measures to reduce peak demand by 0.1% over the prior year
14 for eligible retail customers, as defined in Section
15 16-111.5 of this Act, and for customers that elect hourly
16 service from the utility pursuant to Section 16-107 of
17 this Act, provided those customers have not been declared
18 competitive. This requirement continues until December 31,
19 2026.

20 (5) Include a proposed or revised cost-recovery tariff
21 mechanism, as provided for under subsection (d) of this
22 Section, to fund the proposed energy efficiency and
23 demand-response measures and to ensure the recovery of the
24 prudently and reasonably incurred costs of
25 Commission-approved programs.

26 (6) Provide for an annual independent evaluation of

1 the performance of the cost-effectiveness of the utility's
2 portfolio of measures, as well as a full review of the
3 multi-year plan results of the broader net program impacts
4 and, to the extent practical, for adjustment of the
5 measures on a going-forward basis as a result of the
6 evaluations. The resources dedicated to evaluation shall
7 not exceed 3% of portfolio resources in any given year.

8 (7) For electric utilities that serve more than
9 3,000,000 retail customers in the State:

10 (A) Through December 31, 2025, provide for an
11 adjustment to the return on equity component of the
12 utility's weighted average cost of capital calculated
13 under subsection (d) of this Section:

14 (i) If the independent evaluator determines
15 that the utility achieved a cumulative persisting
16 annual savings that is less than the applicable
17 annual incremental goal, then the return on equity
18 component shall be reduced by a maximum of 200
19 basis points in the event that the utility
20 achieved no more than 75% of such goal. If the
21 utility achieved more than 75% of the applicable
22 annual incremental goal but less than 100% of such
23 goal, then the return on equity component shall be
24 reduced by 8 basis points for each percent by
25 which the utility failed to achieve the goal.

26 (ii) If the independent evaluator determines

1 that the utility achieved a cumulative persisting
2 annual savings that is more than the applicable
3 annual incremental goal, then the return on equity
4 component shall be increased by a maximum of 200
5 basis points in the event that the utility
6 achieved at least 125% of such goal. If the
7 utility achieved more than 100% of the applicable
8 annual incremental goal but less than 125% of such
9 goal, then the return on equity component shall be
10 increased by 8 basis points for each percent by
11 which the utility achieved above the goal. If the
12 applicable annual incremental goal was reduced
13 under paragraphs (1) or (2) of subsection (f) of
14 this Section, then the following adjustments shall
15 be made to the calculations described in this item
16 (ii):

17 (aa) the calculation for determining
18 achievement that is at least 125% of the
19 applicable annual incremental goal shall use
20 the unreduced applicable annual incremental
21 goal to set the value; and

22 (bb) the calculation for determining
23 achievement that is less than 125% but more
24 than 100% of the applicable annual incremental
25 goal shall use the reduced applicable annual
26 incremental goal to set the value for 100%

1 achievement of the goal and shall use the
2 unreduced goal to set the value for 125%
3 achievement. The 8 basis point value shall
4 also be modified, as necessary, so that the
5 200 basis points are evenly apportioned among
6 each percentage point value between 100% and
7 125% achievement.

8 (B) For the period January 1, 2026 through
9 December 31, 2029 and in all subsequent 4-year periods
10 ~~2030~~, provide for an adjustment to the return on
11 equity component of the utility's weighted average
12 cost of capital calculated under subsection (d) of
13 this Section:

14 (i) If the independent evaluator determines
15 that the utility achieved a cumulative persisting
16 annual savings that is less than the applicable
17 annual incremental goal, then the return on equity
18 component shall be reduced by a maximum of 200
19 basis points in the event that the utility
20 achieved no more than 66% of such goal. If the
21 utility achieved more than 66% of the applicable
22 annual incremental goal but less than 100% of such
23 goal, then the return on equity component shall be
24 reduced by 6 basis points for each percent by
25 which the utility failed to achieve the goal.

26 (ii) If the independent evaluator determines

1 that the utility achieved a cumulative persisting
2 annual savings that is more than the applicable
3 annual incremental goal, then the return on equity
4 component shall be increased by a maximum of 200
5 basis points in the event that the utility
6 achieved at least 134% of such goal. If the
7 utility achieved more than 100% of the applicable
8 annual incremental goal but less than 134% of such
9 goal, then the return on equity component shall be
10 increased by 6 basis points for each percent by
11 which the utility achieved above the goal. If the
12 applicable annual incremental goal was reduced
13 under paragraph (3) of subsection (f) of this
14 Section, then the following adjustments shall be
15 made to the calculations described in this item
16 (ii):

17 (aa) the calculation for determining
18 achievement that is at least 134% of the
19 applicable annual incremental goal shall use
20 the unreduced applicable annual incremental
21 goal to set the value; and

22 (bb) the calculation for determining
23 achievement that is less than 134% but more
24 than 100% of the applicable annual incremental
25 goal shall use the reduced applicable annual
26 incremental goal to set the value for 100%

1 achievement of the goal and shall use the
2 unreduced goal to set the value for 134%
3 achievement. The 6 basis point value shall
4 also be modified, as necessary, so that the
5 200 basis points are evenly apportioned among
6 each percentage point value between 100% and
7 134% achievement.

8 (C) Notwithstanding the provisions of
9 subparagraphs (A) and (B) of this paragraph (7), if
10 the applicable annual incremental goal for an electric
11 utility is ever less than 0.6% of deemed average
12 weather normalized sales of electric power and energy
13 during calendar years 2014, 2015, and 2016, an
14 adjustment to the return on equity component of the
15 utility's weighted average cost of capital calculated
16 under subsection (d) of this Section shall be made as
17 follows:

18 (i) If the independent evaluator determines
19 that the utility achieved a cumulative persisting
20 annual savings that is less than would have been
21 achieved had the applicable annual incremental
22 goal been achieved, then the return on equity
23 component shall be reduced by a maximum of 200
24 basis points if the utility achieved no more than
25 75% of its applicable annual total savings
26 requirement as defined in paragraph (7.5) of this

1 subsection. If the utility achieved more than 75%
2 of the applicable annual total savings requirement
3 but less than 100% of such goal, then the return on
4 equity component shall be reduced by 8 basis
5 points for each percent by which the utility
6 failed to achieve the goal.

7 (ii) If the independent evaluator determines
8 that the utility achieved a cumulative persisting
9 annual savings that is more than would have been
10 achieved had the applicable annual incremental
11 goal been achieved, then the return on equity
12 component shall be increased by a maximum of 200
13 basis points if the utility achieved at least 125%
14 of its applicable annual total savings
15 requirement. If the utility achieved more than
16 100% of the applicable annual total savings
17 requirement but less than 125% of such goal, then
18 the return on equity component shall be increased
19 by 8 basis points for each percent by which the
20 utility achieved above the applicable annual total
21 savings requirement. If the applicable annual
22 incremental goal was reduced under paragraphs (1)
23 or (2) of subsection (f) of this Section, then the
24 following adjustments shall be made to the
25 calculations described in this item (ii):

26 (aa) the calculation for determining

1 achievement that is at least 125% of the
2 applicable annual total savings requirement
3 shall use the unreduced applicable annual
4 incremental goal to set the value; and

5 (bb) the calculation for determining
6 achievement that is less than 125% but more
7 than 100% of the applicable annual total
8 savings requirement shall use the reduced
9 applicable annual incremental goal to set the
10 value for 100% achievement of the goal and
11 shall use the unreduced goal to set the value
12 for 125% achievement. The 8 basis point value
13 shall also be modified, as necessary, so that
14 the 200 basis points are evenly apportioned
15 among each percentage point value between 100%
16 and 125% achievement.

17 (7.5) For purposes of this Section, the term
18 "applicable annual incremental goal" means the difference
19 between the cumulative persisting annual savings goal for
20 the calendar year that is the subject of the independent
21 evaluator's determination and the cumulative persisting
22 annual savings goal for the immediately preceding calendar
23 year, as such goals are defined in subsections (b-5) and
24 (b-15) of this Section and as these goals may have been
25 modified as provided for under subsection (b-20) and
26 paragraphs (1) through (3) of subsection (f) of this

1 Section. Under subsections (b), (b-5), (b-10), and (b-15)
2 of this Section, a utility must first replace energy
3 savings from measures that have expired ~~reached the end of~~
4 ~~their measure lives and would otherwise have to be~~
5 ~~replaced to meet the applicable savings goals identified~~
6 ~~in subsection (b-5) or (b-15) of this Section~~ before any
7 progress towards achievement of its applicable annual
8 incremental goal may be counted. Savings may expire
9 because measures installed in previous years have reached
10 the end of their lives, because measures installed in
11 previous years are producing lower savings in the current
12 year than in the previous year, or for other reasons
13 identified by independent evaluators. Notwithstanding
14 anything else set forth in this Section, the difference
15 between the actual annual incremental savings achieved in
16 any given year, including the replacement of energy
17 savings ~~from measures~~ that have expired, and the
18 applicable annual incremental goal shall not affect
19 adjustments to the return on equity for subsequent
20 calendar years under this subsection (g).

21 In this Section, "applicable annual total savings
22 requirement" means the total amount of new annual savings
23 that the utility must achieve in any given year to achieve
24 the applicable annual incremental goal. This is equal to
25 the applicable annual incremental goal plus the total new
26 annual savings that are required to replace savings that

1 expired in or at the end of the previous year.

2 (8) For electric utilities that serve less than
3 3,000,000 retail customers but more than 500,000 retail
4 customers in the State:

5 (A) Through December 31, 2025, the applicable
6 annual incremental goal shall be compared to the
7 annual incremental savings as determined by the
8 independent evaluator.

9 (i) The return on equity component shall be
10 reduced by 8 basis points for each percent by
11 which the utility did not achieve 84.4% of the
12 applicable annual incremental goal.

13 (ii) The return on equity component shall be
14 increased by 8 basis points for each percent by
15 which the utility exceeded 100% of the applicable
16 annual incremental goal.

17 (iii) The return on equity component shall not
18 be increased or decreased if the annual
19 incremental savings as determined by the
20 independent evaluator is greater than 84.4% of the
21 applicable annual incremental goal and less than
22 100% of the applicable annual incremental goal.

23 (iv) The return on equity component shall not
24 be increased or decreased by an amount greater
25 than 200 basis points pursuant to this
26 subparagraph (A).

1 (B) For the period of January 1, 2026 through
2 December 31, 2029 and in all subsequent 4-year periods
3 ~~2030~~, the applicable annual incremental goal shall be
4 compared to the annual incremental savings as
5 determined by the independent evaluator.

6 (i) The return on equity component shall be
7 reduced by 6 basis points for each percent by
8 which the utility did not achieve 100% of the
9 applicable annual incremental goal.

10 (ii) The return on equity component shall be
11 increased by 6 basis points for each percent by
12 which the utility exceeded 100% of the applicable
13 annual incremental goal.

14 (iii) The return on equity component shall not
15 be increased or decreased by an amount greater
16 than 200 basis points pursuant to this
17 subparagraph (B).

18 (C) Notwithstanding provisions in subparagraphs
19 (A) and (B) of paragraph (7) of this subsection, if the
20 applicable annual incremental goal for an electric
21 utility is ever less than 0.6% of deemed average
22 weather normalized sales of electric power and energy
23 during calendar years 2014, 2015 and 2016, an
24 adjustment to the return on equity component of the
25 utility's weighted average cost of capital calculated
26 under subsection (d) of this Section shall be made as

1 follows:

2 (i) The return on equity component shall be
3 reduced by 8 basis points for each percent by
4 which the utility did not achieve 100% of the
5 applicable annual total savings requirement.

6 (ii) The return on equity component shall be
7 increased by 8 basis points for each percent by
8 which the utility exceeded 100% of the applicable
9 annual total savings requirement.

10 (iii) The return on equity component shall not
11 be increased or decreased by an amount greater
12 than 200 basis points pursuant to this
13 subparagraph (C).

14 (D) ~~(C)~~ If the applicable annual incremental goal
15 was reduced under paragraphs (1), (2), ~~or~~ (3), or (4)
16 of subsection (f) of this Section, then the following
17 adjustments shall be made to the calculations
18 described in subparagraphs (A), ~~and~~ (B), and (C) of
19 this paragraph (8):

20 (i) The calculation for determining
21 achievement that is at least 125% or 134%, as
22 applicable, of the applicable annual incremental
23 goal or the applicable annual total savings
24 requirement, as applicable, shall use the
25 unreduced applicable annual incremental goal to
26 set the value.

1 (ii) For the period through December 31, 2025,
2 the calculation for determining achievement that
3 is less than 125% but more than 100% of the
4 applicable annual incremental goal or the
5 applicable annual total savings requirement, as
6 applicable, shall use the reduced applicable
7 annual incremental goal to set the value for 100%
8 achievement of the goal and shall use the
9 unreduced goal to set the value for 125%
10 achievement. The 8 basis point value shall also be
11 modified, as necessary, so that the 200 basis
12 points are evenly apportioned among each
13 percentage point value between 100% and 125%
14 achievement.

15 (iii) For the period of January 1, 2026
16 through December 31, 2029 and all subsequent
17 4-year periods, the calculation for determining
18 achievement that is less than 125% or 134%, as
19 applicable, but more than 100% of the applicable
20 annual incremental goal or the applicable annual
21 total savings requirement, as applicable, shall
22 use the reduced applicable annual incremental goal
23 to set the value for 100% achievement of the goal
24 and shall use the unreduced goal to set the value
25 for 125% achievement. The 6 or 8 basis point
26 values, as applicable, shall also be modified, as

1 necessary, so that the 200 basis points are evenly
2 apportioned among each percentage point value
3 between 100% and 125% or between 100% and 134%
4 achievement, as applicable ~~2030, the calculation~~
5 ~~for determining achievement that is less than 134%~~
6 ~~but more than 100% of the applicable annual~~
7 ~~incremental goal shall use the reduced applicable~~
8 ~~annual incremental goal to set the value for 100%~~
9 ~~achievement of the goal and shall use the~~
10 ~~unreduced goal to set the value for 125%~~
11 ~~achievement. The 6 basis point value shall also be~~
12 ~~modified, as necessary, so that the 200 basis~~
13 ~~points are evenly apportioned among each~~
14 ~~percentage point value between 100% and 134%~~
15 ~~achievement.~~

16 (9) The utility shall submit the energy savings data
17 to the independent evaluator no later than 30 days after
18 the close of the plan year. The independent evaluator
19 shall determine the cumulative persisting annual savings
20 for a given plan year, as well as an estimate of job
21 impacts and other macroeconomic impacts of the efficiency
22 programs for that year, no later than 120 days after the
23 close of the plan year. The utility shall submit an
24 informational filing to the Commission no later than 160
25 days after the close of the plan year that attaches the
26 independent evaluator's final report identifying the

1 cumulative persisting annual savings for the year and
2 calculates, under paragraph (7) or (8) of this subsection
3 (g), as applicable, any resulting change to the utility's
4 return on equity component of the weighted average cost of
5 capital applicable to the next plan year beginning with
6 the January monthly billing period and extending through
7 the December monthly billing period. However, if the
8 utility recovers the costs incurred under this Section
9 under paragraphs (2) and (3) of subsection (d) of this
10 Section, then the utility shall not be required to submit
11 such informational filing, and shall instead submit the
12 information that would otherwise be included in the
13 informational filing as part of its filing under paragraph
14 (3) of such subsection (d) that is due on or before June 1
15 of each year.

16 For those utilities that must submit the informational
17 filing, the Commission may, on its own motion or by
18 petition, initiate an investigation of such filing,
19 provided, however, that the utility's proposed return on
20 equity calculation shall be deemed the final, approved
21 calculation on December 15 of the year in which it is filed
22 unless the Commission enters an order on or before
23 December 15, after notice and hearing, that modifies such
24 calculation consistent with this Section.

25 The adjustments to the return on equity component
26 described in paragraphs (7) and (8) of this subsection (g)

1 shall be applied as described in such paragraphs through a
2 separate tariff mechanism, which shall be filed by the
3 utility under subsections (f) and (g) of this Section.

4 (9.5) The utility must demonstrate how it will ensure
5 that program implementation contractors and energy
6 efficiency installation vendors will promote workforce
7 equity and quality jobs.

8 (9.6) Utilities shall collect data necessary to ensure
9 compliance with paragraph (9.5) no less than quarterly and
10 shall communicate progress toward compliance with
11 paragraph (9.5) to program implementation contractors and
12 energy efficiency installation vendors no less than
13 quarterly. Utilities shall work with relevant vendors,
14 providing education, training, and other resources needed
15 to ensure compliance and, where necessary, adjusting or
16 terminating work with vendors that cannot assist with
17 compliance.

18 (10) Utilities required to implement efficiency
19 programs under subsections (b-5) and (b-10) shall report
20 annually to the Illinois Commerce Commission and the
21 General Assembly on how hiring, contracting, job training,
22 and other practices related to its energy efficiency
23 programs enhance the diversity of vendors working on such
24 programs. These reports must include data on vendor and
25 employee diversity, including data on the implementation
26 of paragraphs (9.5) and (9.6). If the utility is not

1 meeting the requirements of paragraphs (9.5) and (9.6),
2 the utility shall submit a plan to adjust their activities
3 so that they meet the requirements of paragraphs (9.5) and
4 (9.6) within the following year.

5 (h) No more than 4% ~~6%~~ of energy efficiency and
6 demand-response program revenue may be allocated for research,
7 development, or pilot deployment of new equipment or measures.
8 Electric utilities shall work with interested stakeholders to
9 formulate a plan for how these funds should be spent,
10 incorporate statewide approaches for these allocations, and
11 file a four-year plan that demonstrates that collaboration. If
12 a utility files a request for modified annual energy savings
13 goals with the Commission, then a utility shall forgo spending
14 portfolio dollars on research and development proposals.

15 (i) When practicable, electric utilities shall incorporate
16 advanced metering infrastructure data into the planning,
17 implementation, and evaluation of energy efficiency measures
18 and programs, subject to the data privacy and confidentiality
19 protections of applicable law.

20 (j) The independent evaluator shall follow the guidelines
21 and use the savings set forth in Commission-approved energy
22 efficiency policy manuals and technical reference manuals, as
23 each may be updated from time to time. Until such time as
24 measure life values for energy efficiency measures implemented
25 for low-income households under subsection (c) of this Section
26 are incorporated into such Commission-approved manuals, the

1 low-income measures shall have the same measure life values
2 that are established for same measures implemented in
3 households that are not low-income households.

4 (k) Notwithstanding any provision of law to the contrary,
5 an electric utility subject to the requirements of this
6 Section may file a tariff cancelling an automatic adjustment
7 clause tariff in effect under this Section or Section 8-103,
8 which shall take effect no later than one business day after
9 the date such tariff is filed. Thereafter, the utility shall
10 be authorized to defer and recover its expenditures incurred
11 under this Section through a new tariff authorized under
12 subsection (d) of this Section or in the utility's next rate
13 case under Article IX or Section 16-108.5 of this Act, with
14 interest at an annual rate equal to the utility's weighted
15 average cost of capital as approved by the Commission in such
16 case. If the utility elects to file a new tariff under
17 subsection (d) of this Section, the utility may file the
18 tariff within 10 days after June 1, 2017 (the effective date of
19 Public Act 99-906), and the cost inputs to such tariff shall be
20 based on the projected costs to be incurred by the utility
21 during the calendar year in which the new tariff is filed and
22 that were not recovered under the tariff that was cancelled as
23 provided for in this subsection. Such costs shall include
24 those incurred or to be incurred by the utility under its
25 multi-year plan approved under subsections (f) and (g) of this
26 Section, including, but not limited to, projected capital

1 investment costs and projected regulatory asset balances with
2 correspondingly updated depreciation and amortization reserves
3 and expense. The Commission shall, after notice and hearing,
4 approve, or approve with modification, such tariff and cost
5 inputs no later than 75 days after the utility filed the
6 tariff, provided that such approval, or approval with
7 modification, shall be consistent with the provisions of this
8 Section to the extent they do not conflict with this
9 subsection (k). The tariff approved by the Commission shall
10 take effect no later than 5 days after the Commission enters
11 its order approving the tariff.

12 No later than 60 days after the effective date of the
13 tariff cancelling the utility's automatic adjustment clause
14 tariff, the utility shall file a reconciliation that
15 reconciles the moneys collected under its automatic adjustment
16 clause tariff with the costs incurred during the period
17 beginning June 1, 2016 and ending on the date that the electric
18 utility's automatic adjustment clause tariff was cancelled. In
19 the event the reconciliation reflects an under-collection, the
20 utility shall recover the costs as specified in this
21 subsection (k). If the reconciliation reflects an
22 over-collection, the utility shall apply the amount of such
23 over-collection as a one-time credit to retail customers'
24 bills.

25 (1) (Blank). ~~For the calendar years covered by a~~
26 ~~multi year plan commencing after December 31, 2017,~~

1 ~~subsections (a) through (j) of this Section do not apply to any~~
2 ~~retail customers of an electric utility that serves more than~~
3 ~~3,000,000 retail customers in the State and whose total~~
4 ~~highest 30 minute demand was more than 10,000 kilowatts, or~~
5 ~~any retail customers of an electric utility that serves less~~
6 ~~than 3,000,000 retail customers but more than 500,000 retail~~
7 ~~customers in the State and whose total highest 15 minute~~
8 ~~demand was more than 10,000 kilowatts. For purposes of this~~
9 ~~subsection (l), "retail customer" has the meaning set forth in~~
10 ~~Section 16-102 of this Act. A determination of whether this~~
11 ~~subsection is applicable to a customer shall be made for each~~
12 ~~multi-year plan beginning after December 31, 2017. The~~
13 ~~criteria for determining whether this subsection (l) is~~
14 ~~applicable to a retail customer shall be based on the 12~~
15 ~~consecutive billing periods prior to the start of the first~~
16 ~~year of each such multi-year plan.~~

17 (m) Notwithstanding the requirements of this Section, as
18 part of a proceeding to approve a multi-year plan under
19 subsections (f) and (g) of this Section if the multi-year plan
20 has been designed to maximize savings, but does not meet the
21 cost cap limitations of this subsection, the Commission shall
22 reduce the amount of energy efficiency measures implemented
23 for any single year, and whose costs are recovered under
24 subsection (d) of this Section, by an amount necessary to
25 limit the estimated average net increase due to the cost of the
26 measures to no more than

1 (1) 3.5% for each of the 4 years beginning January 1,
2 2018,

3 (2) (blank), ~~3.75% for each of the 4 years beginning~~
4 ~~January 1, 2022, and~~

5 (3) 4% for each of the 4 ~~5~~ years beginning January 1,
6 2022 ~~2026~~,

7 (4) 4.25% for the 4 years beginning January 1, 2026,
8 and

9 (5) 4.25% plus an increase sufficient to account for
10 the rate of inflation between January 1, 2026 and January
11 1 of the first year of each subsequent 4-year plan cycle,

12 of the average amount paid per kilowatthour by residential
13 eligible retail customers during calendar year 2015. An
14 electric utility may plan to spend up to 10% more in any year
15 during an applicable multi-year plan period to
16 cost-effectively achieve additional savings so long as the
17 average over the applicable multi-year plan period does not
18 exceed the percentages defined in items (1) through (5). To

19 determine the total amount that may be spent by an electric
20 utility in any single year, the applicable percentage of the
21 average amount paid per kilowatthour shall be multiplied by
22 the total amount of energy delivered by such electric utility
23 in the calendar year 2015, ~~adjusted to reflect the proportion~~
24 ~~of the utility's load attributable to customers who are exempt~~
25 ~~from subsections (a) through (j) of this Section under~~
26 ~~subsection (1) of this Section.~~ For purposes of this

1 subsection (m), the amount paid per kilowatthour includes,
2 without limitation, estimated amounts paid for supply,
3 transmission, distribution, surcharges, and add-on taxes. For
4 purposes of this Section, "eligible retail customers" shall
5 have the meaning set forth in Section 16-111.5 of this Act.
6 Once the Commission has approved a plan under subsections (f)
7 and (g) of this Section, no subsequent rate impact
8 determinations shall be made.

9 (n) A utility shall take advantage of the efficiencies
10 available through existing Illinois Home Weatherization
11 Assistance Program infrastructure and services, such as
12 enrollment, marketing, quality assurance and implementation,
13 which can reduce the need for similar services at a lower cost
14 than utility-only programs, subject to capacity constraints at
15 community action agencies, for both single-family and
16 multifamily weatherization services, to the extent Illinois
17 Home Weatherization Assistance Program CAAs provide
18 multifamily services. A utility's plan shall demonstrate that
19 in formulating annual weatherization budgets, it has sought
20 input and coordination with community action agencies
21 regarding agencies' capacity to expand and maximize Illinois
22 Home Weatherization Assistance Program delivery using the
23 ratepayer dollars collected under this Section.

24 (Source: P.A. 100-840, eff. 8-13-18; 101-81, eff. 7-12-19.)

1 Section 99-99. Effective date. This Act takes effect upon
2 becoming law.

1 INDEX
2 Statutes amended in order of appearance

3 New Act

4 820 ILCS 65/10

5 5 ILCS 420/1-121.5 new

6 5 ILCS 420/4A-102 from Ch. 127, par. 604A-102

7 5 ILCS 420/4A-103 from Ch. 127, par. 604A-103

8 20 ILCS 655/5.5 from Ch. 67 1/2, par. 609.1

9 20 ILCS 627/5

10 20 ILCS 627/10

11 20 ILCS 627/15

12 20 ILCS 627/20

13 20 ILCS 627/30 new

14 20 ILCS 627/35 new

15 20 ILCS 627/40 new

16 20 ILCS 627/45 new

17 20 ILCS 627/50 new

18 20 ILCS 1120/2 from Ch. 96 1/2, par. 7802

19 20 ILCS 3501/801-1

20 20 ILCS 3501/801-5

21 20 ILCS 3501/801-10

22 20 ILCS 3501/801-40

23 20 ILCS 3501/Art. 850

24 heading new

25 20 ILCS 3501/850-5 new

1 20 ILCS 3501/850-10 new
2 20 ILCS 3501/850-15 new
3 20 ILCS 3125/10
4 20 ILCS 3125/15
5 20 ILCS 3125/20
6 20 ILCS 3125/30
7 20 ILCS 3125/45
8 20 ILCS 3125/55 new
9 20 ILCS 3855/1-5
10 20 ILCS 3855/1-10
11 20 ILCS 3855/1-35
12 20 ILCS 3855/1-56
13 20 ILCS 3855/1-70
14 20 ILCS 3855/1-75
15 20 ILCS 3855/1-92
16 20 ILCS 3855/1-125
17 20 ILCS 3855/1-135 new
18 20 ILCS 3855/1-140 new
19 30 ILCS 105/5.938 new
20 30 ILCS 105/5.939 new
21 30 ILCS 500/1-10
22 55 ILCS 5/5-12020
23 55 ILCS 5/5-12022 new
24 65 ILCS 5/8-11-2.7 new
25 220 ILCS 5/3-105
26 220 ILCS 5/4-604 new

from Ch. 111 2/3, par. 3-105

1 220 ILCS 5/5-117
2 220 ILCS 5/8-103B
3 220 ILCS 5/8-103C new
4 220 ILCS 5/8-104.1 new
5 220 ILCS 5/8-201.7 new
6 220 ILCS 5/8-201.8 new
7 220 ILCS 5/8-201.9 new
8 220 ILCS 5/8-201.10 new
9 220 ILCS 5/8-201.11 new
10 220 ILCS 5/8-201.12 new
11 220 ILCS 5/8-201.13 new
12 220 ILCS 5/8-201.14 new
13 220 ILCS 5/8-406 from Ch. 111 2/3, par. 8-406
14 220 ILCS 5/8-512 new
15 220 ILCS 5/9-201 from Ch. 111 2/3, par. 9-201
16 220 ILCS 5/9-220.3
17 220 ILCS 5/9-221 from Ch. 111 2/3, par. 9-221
18 220 ILCS 5/9-227 from Ch. 111 2/3, par. 9-227
19 220 ILCS 5/9-229
20 220 ILCS 5/9-241 from Ch. 111 2/3, par. 9-241
21 220 ILCS 5/16-107.5
22 220 ILCS 5/16-107.6
23 220 ILCS 5/16-108
24 220 ILCS 5/16-108.5
25 220 ILCS 5/16-108.17 new
26 220 ILCS 5/16-108.18 new

1	220 ILCS 5/16-108.19 new	
2	220 ILCS 5/16-108.20 new	
3	220 ILCS 5/16-108.21 new	
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9	220 ILCS 5/19-110	
10	220 ILCS 5/19-145	
11	220 ILCS 10/3	from Ch. 111 2/3, par. 903
12	220 ILCS 10/5	from Ch. 111 2/3, par. 905
13	220 ILCS 10/13	from Ch. 111 2/3, par. 913
14	305 ILCS 20/6	from Ch. 111 2/3, par. 1406
15	305 ILCS 20/13	
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19	415 ILCS 5/3.1325 new	
20	415 ILCS 5/9.15	
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- 1 415 ILCS 120/20 rep.
- 2 415 ILCS 120/22 rep.
- 3 415 ILCS 120/24 rep.
- 4 415 ILCS 120/30 rep.
- 5 415 ILCS 120/31 rep.
- 6 415 ILCS 120/32 rep.
- 7 430 ILCS 170/20 new
- 8 505 ILCS 147/15
- 9 815 ILCS 505/10e new
- 10 820 ILCS 65/10
- 11 820 ILCS 130/2
- 12 220 ILCS 5/8-103B

from Ch. 48, par. 39s-2